

STATE OF MINNESOTA

NINETY-SECOND SESSION — 2022

 NINETIETH DAY

SAINT PAUL, MINNESOTA, THURSDAY, APRIL 7, 2022

The House of Representatives convened at 12:10 p.m. and was called to order by Melissa Hortman, Speaker of the House.

Prayer was offered by Pastor Matt Anderson, Surprise Church, Bismarck, North Dakota.

The members of the House gave the pledge of allegiance to the flag of the United States of America.

The roll was called and the following members were present:

Acomb	Davnie	Hamilton	Koznick	Murphy	Richardson
Agbaje	Demuth	Hansen, R.	Kresha	Nash	Robbins
Akland	Dettmer	Hanson, J.	Lee	Nelson, M.	Sandell
Albright	Drazkowski	Hassan	Liebling	Nelson, N.	Sandstede
Anderson	Ecklund	Hausman	Lillie	Neu Brindley	Schomacker
Backer	Edelson	Heinrich	Lippert	Noor	Schultz
Bahner	Elkins	Heintzeman	Lislegard	Novotny	Scott
Bahr	Erickson	Her	Long	O'Driscoll	Stephenson
Baker	Feist	Hertaus	Lucero	Olson, B.	Sundin
Becker-Finn	Fischer	Hollins	Lueck	Olson, L.	Swedzinski
Bennett	Franke	Hornstein	Mariani	O'Neill	Theis
Berg	Franson	Howard	Marquart	Pelowski	Thompson
Bernardy	Frazier	Huot	Masin	Petersburg	Torkelson
Bierman	Frederick	Igo	McDonald	Pfarr	Vang
Bliss	Freiberg	Johnson	Mekeland	Pierson	Wazlawik
Boe	Garofalo	Jordan	Miller	Pinto	West
Boldon	Gomez	Jurgens	Moller	Poston	Winkler
Burkel	Green	Keeler	Moran	Pryor	Wolgamott
Carlson	Greenman	Kiel	Morrison	Quam	Xiong, J.
Christensen	Grossell	Klevorn	Mortensen	Raleigh	Xiong, T.
Daudt	Gruenhagen	Koegel	Mueller	Rasmusson	Youakim
Davids	Haley	Kotzya-Witthuhn	Munson	Reyer	Spk. Hortman

A quorum was present.

Daniels was excused.

Urdahl was excused until 12:20 p.m.

The Chief Clerk proceeded to read the Journals of the preceding days. There being no objection, further reading of the Journals was dispensed with and the Journals were approved as corrected by the Chief Clerk.

REPORTS OF STANDING COMMITTEES AND DIVISIONS

Moran from the Committee on Ways and Means to which was referred:

H. F. No. 961, A bill for an act relating to labor; adding a supervisory law enforcement unit; amending Minnesota Statutes 2020, section 179A.10, subdivisions 2, 3.

Reported the same back with the following amendments:

Page 3, line 6, before "Until" insert "(a)"

Page 3, after line 16, insert:

"(b) In assigning positions included in the law enforcement supervisors unit, employees in positions under paragraph (a), clause (2), shall have the right to remain in the general supervisory employees unit represented by the Middle Management Association. If a group of employees exercises this right, the appropriate unit for such employees shall be the general supervisory employees unit represented by the Middle Management Association, and the commissioner shall assign them to such unit.

Sec. 4. APPROPRIATION.

\$128,000 in fiscal year 2023 is appropriated from the general fund to the commissioner of management and budget for the purposes of implementing the new law enforcement supervisors unit under Minnesota Statutes, section 179A.10, subdivision 2, clause (18). The base for this appropriation in fiscal year 2024 and beyond is \$24,000."

Amend the title as follows:

Page 1, line 2, before the second semicolon, insert "; appropriating money"

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Becker-Finn from the Committee on Judiciary Finance and Civil Law to which was referred:

H. F. No. 1404, A bill for an act relating to data practices; modifying certain government data practices provisions; classifying certain data; reestablishing the Legislative Commission on Data Practices; requiring certifying entities to timely process visa certification documents; amending Minnesota Statutes 2020, sections 13.32, subdivision 3; 13.7931, by adding a subdivision; 13.824, subdivision 6; 13.825, subdivision 9; 13.856, subdivision 3; 144.225, subdivision 7; proposing coding for new law in Minnesota Statutes, chapters 3; 84; 611A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1
GOVERNMENT DATA PRACTICES AND PRIVACY

Section 1. Minnesota Statutes 2020, section 5B.02, is amended to read:

5B.02 DEFINITIONS.

(a) For purposes of this chapter and unless the context clearly requires otherwise, the definitions in this section have the meanings given them.

(b) "Address" means an individual's work address, school address, or residential street address, as specified on the individual's application to be a program participant under this chapter.

(c) "Applicant" means an adult, a parent or guardian acting on behalf of an eligible minor, or a guardian acting on behalf of an incapacitated person, as defined in section 524.5-102.

(d) "Domestic violence" means an act as defined in section 518B.01, subdivision 2, paragraph (a), and includes a threat of such acts committed against an individual in a domestic situation, regardless of whether these acts or threats have been reported to law enforcement officers.

(e) "Eligible person" means an adult, a minor, or an incapacitated person, as defined in section 524.5-102 for whom there is good reason to believe (1) that the eligible person is a victim of domestic violence, sexual assault, or harassment or stalking, or (2) that the eligible person fears for the person's safety, the safety of another person who resides in the same household, or the safety of persons on whose behalf the application is made. An individual must reside in Minnesota in order to be an eligible person. A person registered or required to register as a predatory offender under section 243.166 or 243.167, or the law of another jurisdiction, is not an eligible person.

(f) "Mail" means first class letters and flats delivered via the United States Postal Service, including priority, express, and certified mail, and excluding ~~packages, parcels, (1) periodicals, and catalogues, and (2) packages and parcels~~ unless they are clearly identifiable as nonrefrigerated pharmaceuticals or clearly indicate that they are sent by the federal government or a state or county government agency of the continental United States, Hawaii, District of Columbia, or United States territories.

(g) "Program participant" means an individual certified as a program participant under section 5B.03.

(h) "Harassment" or "stalking" means acts criminalized under section 609.749 and includes a threat of such acts committed against an individual, regardless of whether these acts or threats have been reported to law enforcement officers.

Sec. 2. Minnesota Statutes 2020, section 5B.05, is amended to read:

5B.05 USE OF DESIGNATED ADDRESS.

(a) When a program participant presents the address designated by the secretary of state to any person or entity, that address must be accepted as the address of the program participant. The person may not require the program participant to submit any address that could be used to physically locate the participant either as a substitute or in addition to the designated address, or as a condition of receiving a service or benefit, unless the service or benefit would be impossible to provide without knowledge of the program participant's physical location. Notwithstanding a person's or entity's knowledge of a program participant's physical location, the person or entity must use the program participant's designated address for all mail correspondence with the program participant.

(b) A program participant may use the address designated by the secretary of state as the program participant's work address.

(c) The Office of the Secretary of State shall forward all mail sent to the designated address to the proper program participants.

(d) If a program participant has notified a person in writing, on a form prescribed by the program, that the individual is a program participant and of the requirements of this section, the person must not knowingly disclose the participant's name or address identified by the participant on the notice. If identified on the notice, the individual receiving the notice must not knowingly disclose the program participant's name, home address, work address, or school address, unless the person to whom the address is disclosed also lives, works, or goes to school at the address disclosed, or the participant has provided written consent to disclosure of the participant's name, home address, work address, or school address for the purpose for which the disclosure will be made. This paragraph applies to the actions and reports of guardians ad litem, except that guardians ad litem may disclose the program participant's name. This paragraph does not apply to records of the judicial branch governed by rules adopted by the supreme court or government entities governed by section 13.045.

Sec. 3. Minnesota Statutes 2020, section 5B.10, subdivision 1, is amended to read:

Subdivision 1. **Display by landlord.** If a program participant has notified the program participant's landlord in writing that the individual is a program participant and of the requirements of this section, a local ordinance ~~or the landlord~~ must not require the display of, and the landlord shall not display, the program participant's name at an address otherwise protected under this chapter.

Sec. 4. Minnesota Statutes 2020, section 13.045, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** As used in this section:

(1) "program participant" has the meaning given in section 5B.02, paragraph (g);

(2) "location data" means ~~any~~ data the participant specifies that may be used to physically locate a program participant, ~~including but not limited to~~ such as the program participant's residential address, work address, ~~and or~~ school address, and that is collected, received, or maintained by a government entity prior to the date a program participant's certification expires, or the date the entity receives notice that the program participant has withdrawn from the program, whichever is earlier;

(3) "identity data" means data that may be used to identify a program participant, including the program participant's name, phone number, e-mail address, address designated under chapter 5B, Social Security number, or driver's license number, and that is collected, received, or maintained by a government entity before the date a program participant's certification expires, or the date the entity receives notice that the program participant has withdrawn from the program, whichever is earlier;

(4) "county recorder" means the county official who performs the functions of the county recorder or registrar of titles to record a document as part of the county real estate document recording system, regardless of title or office; and

(5) "real property records" means any record of data that is maintained ~~by a county~~ as part of the county real estate document recording system for use by the public, data on assessments, data on real or personal property taxation, and other data on real property.

Sec. 5. Minnesota Statutes 2020, section 13.045, subdivision 2, is amended to read:

Subd. 2. **Notification of certification.** (a) A program participant may ~~submit a notice, in writing, to~~ notify the responsible authority of any government entity other than the county recorder in writing, on a form prescribed by the secretary of state, that the participant is certified in the Safe at Home address confidentiality program pursuant to chapter 5B. The notice must include the program participant's name, ~~names of other program participants in the household,~~ date of birth, address designated under chapter 5B, program participant signature, signature of the participant's parent or guardian if the participant is a minor, date the program participant's certification in the program expires, and any other information specified by the secretary of state. A program participant may submit a subsequent notice of certification, if the participant's certification is renewed. The contents of the notification of certification are private data on individuals. A notice provided pursuant to this paragraph is a request to protect location data unless the participant requests that specific identity data also be protected.

(b) To affect real property records, ~~including but not limited to documents maintained in a public recording system, data on assessments and taxation, and other data on real property,~~ a program participant must submit a real property notice in writing to the county recorder in the county where the property identified in the real property notice is located. To affect real property records maintained by any other government entity, a program participant must submit a real property notice in writing to the other government entity's responsible authority. A real property notice must be on a form prescribed by the secretary of state and must include:

- (1) the full legal name of the program participant, including middle name;
- (2) the last four digits of the program participant's Social Security number;
- (3) the participant's date of birth;
- ~~(3)~~ (4) the designated address of the program participant as assigned by the secretary of state, including lot number;
- ~~(4) the date the program participant's certification in the program expires;~~
- (5) the legal description and street address, if any, of the real property affected by the notice;
- (6) the address of the Office of the Secretary of State; and
- (7) the signature of the program participant.

Only one parcel of real property may be included in each notice, but more than one notice may be presented ~~to the county recorder.~~ The ~~county recorder~~ recipient of the notice may require a program participant to provide additional information necessary to identify the records of the program participant or the real property described in the notice. A program participant must submit a subsequent real property notice for the real property if the participant's ~~certification is renewed~~ legal name changes. The real property notice is private data on individuals.

Sec. 6. Minnesota Statutes 2020, section 13.045, subdivision 3, is amended to read:

Subd. 3. **Classification of identity and location data; amendment of records; sharing and dissemination.** (a) Identity and location data ~~on~~ for which a program participant ~~who submits a notice~~ seeks protection under subdivision 2, paragraph (a), that are not otherwise classified by law are private data on individuals. ~~Notwithstanding any provision of law to the contrary, private or confidential location data on a program participant who submits a notice under subdivision 2, paragraph (a), may not be shared with any other government entity or nongovernmental entity except as provided in paragraph (b).~~

~~(b) Private or confidential location data on a program participant must not be shared or disclosed by a government entity. Notwithstanding any provision of law to the contrary, private or confidential location data on a program participant who submits a notice under subdivision 2, paragraph (a), may not be shared with any other government entity or nongovernmental entity unless:~~

(1) the program participant has expressly consented in writing to sharing or dissemination of the data for the purpose for which the sharing or dissemination will occur;

(2) the data are subject to sharing or dissemination pursuant to court order under section 13.03, subdivision 6;

(3) the data are subject to sharing pursuant to section 5B.07, subdivision 2;

(4) the location data related to county of residence are needed to provide public assistance or other government services, or to allocate financial responsibility for the assistance or services;

(5) the data are necessary to perform a government entity's health, safety, or welfare functions, including the provision of emergency 911 services, the assessment and investigation of child or vulnerable adult abuse or neglect, or the assessment or inspection of services or locations for compliance with health, safety, or professional standards; or

(6) the data are necessary to aid an active law enforcement investigation of the program participant.

(c) Data disclosed under paragraph (b), clauses (4) to (6), may be used only for the purposes authorized in this subdivision and may not be further disclosed to any other person or government entity. Government entities receiving or sharing private or confidential data under this subdivision shall establish procedures to protect the data from further disclosure.

(d) Real property record data are governed by subdivision 4a.

(e) Notwithstanding sections 15.17 and 138.17, a government entity may amend records to replace a participant's location data with the participant's designated address.

Sec. 7. Minnesota Statutes 2020, section 13.045, subdivision 4a, is amended to read:

Subd. 4a. **Real property records.** (a) If a program participant submits a notice ~~to a county recorder~~ under subdivision 2, paragraph (b), the ~~county recorder~~ government entity must not disclose the program participant's identity data in conjunction with the property identified in the written notice in the entity's real property records, unless:

(1) the program participant has consented to sharing or dissemination of the data for the purpose identified in a writing acknowledged by the program participant;

(2) the data are subject to sharing or dissemination pursuant to court order under section 13.03, subdivision 6; ~~or~~

(3) the secretary of state authorizes the sharing or dissemination of the data under subdivision 4b for the purpose identified in the authorization; or

(4) the data are shared with a government entity subject to this chapter for the purpose of administering assessment and taxation laws.

This subdivision does not prevent ~~the~~ a county recorder from returning original documents to the individuals that submitted the documents for recording. This subdivision does not prevent the public disclosure of the participant's name and address designated under chapter 5B in the county reception index if the participant's name and designated address are not disclosed in conjunction with location data. Each ~~county recorder~~ government entity shall establish

procedures for recording or filing documents to comply with this subdivision. These procedures may include masking identity or location data and making documents or certificates of title containing the data private and not viewable except as allowed by this paragraph. The procedure must comply with the requirements of chapters 386, 507, 508, and 508A and other laws as appropriate, to the extent these requirements do not conflict with this section. The procedures must provide public notice of the existence of recorded documents and certificates of title that are not publicly viewable and the provisions for viewing them under this subdivision. Notice that a document or certificate is private and viewable only under this subdivision or subdivision 4b is deemed constructive notice of the document or certificate.

~~(b) A real property notice is notice only to the county recorder. A notice that does not conform to the requirements of a real property notice under subdivision 2, paragraph (b), is not effective as a notice to the county recorder. On receipt of a real property notice, the county recorder shall provide a copy of the notice to the person who maintains the property tax records in that county, and~~ If the recipient of the real property notice is the county recorder, the county recorder shall notify the county's responsible authority and provide a copy to the secretary of state at the address specified in the notice. If the recipient of the notice is the responsible authority, the responsible authority shall provide a copy to the secretary of state at the address specified by the secretary of state in the notice.

(c) Paragraph (a) applies only to the records recorded or filed concurrently with the real property notice specified in subdivision 2, paragraph (b), and real property records affecting the same real property created or recorded subsequent to the ~~county's~~ government entity's receipt of the real property notice.

(d) The prohibition on disclosure in paragraph (a) continues until:

(1) the program participant has consented to the termination of the real property notice in a writing acknowledged by the program participant. Notification under this paragraph must be given by the government entity to the secretary of state within 90 days of the termination;

(2) the real property notice is terminated pursuant to a court order. Notification under this paragraph must be given by the government entity to the secretary of state within 90 days of the termination;

(3) the program participant no longer holds a record interest in the real property identified in the real property notice. Notification under this paragraph must be given by the government entity to the secretary of state within 90 days of the termination; or

(4) the secretary of state has given written notice to the ~~county recorder~~ government entity who provided the secretary of state with a copy of a participant's real property notice that the program participant's certification has terminated. Notification under this paragraph must be given by the secretary of state within 90 days of the termination.

Upon termination of the prohibition of disclosure, the ~~county recorder~~ government entity shall make publicly viewable all documents and certificates of title relative to the participant that were previously partially or wholly private and not viewable.

Sec. 8. **[13.204] POLITICAL SUBDIVISIONS LICENSING DATA.**

(a) The following data submitted to a political subdivision by a person seeking to obtain a license are classified as private data on individuals or nonpublic data:

(1) a tax return, as defined by section 270B.01, subdivision 2; and

(2) a bank account statement.

(b) Notwithstanding section 138.17, data collected by a political subdivision as part of a license application and classified under paragraph (a) must be destroyed no later than 90 days after a final decision on the license application.

Sec. 9. Minnesota Statutes 2020, section 13.32, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** As used in this section:

(a) "Educational data" means data on individuals maintained by a public educational agency or institution or by a person acting for the agency or institution which relates to a student.

Records of instructional personnel which are in the sole possession of the maker thereof and are not accessible or revealed to any other individual except a substitute teacher, and are destroyed at the end of the school year, shall not be deemed to be government data.

Records of a law enforcement unit of a public educational agency or institution which are maintained apart from education data and are maintained solely for law enforcement purposes, and are not disclosed to individuals other than law enforcement officials of the jurisdiction are not educational data; provided, that education records maintained by the educational agency or institution are not disclosed to the personnel of the law enforcement unit. The University of Minnesota police department is a law enforcement agency for purposes of section 13.82 and other sections of Minnesota Statutes dealing with law enforcement records. Records of organizations providing security services to a public educational agency or institution must be administered consistent with section 13.861.

Records relating to a student who is employed by a public educational agency or institution which are made and maintained in the normal course of business, relate exclusively to the individual in that individual's capacity as an employee, and are not available for use for any other purpose are classified pursuant to section 13.43.

(b) "Juvenile justice system" includes criminal justice agencies and the judiciary when involved in juvenile justice activities.

(c) "Parent" means a parent of a student and includes a natural parent, a guardian, or an individual acting as a parent in the absence of a parent or a guardian.

(d) "School-issued device" means hardware or software that a public educational agency or institution, acting independently or with a technology provider, provides to an individual student for that student's dedicated personal use. A school-issued device includes a device issued through a one-to-one program.

~~(e)~~ (e) "Student" means an individual currently or formerly enrolled or registered, applicants for enrollment or registration at a public educational agency or institution, or individuals who receive shared time educational services from a public agency or institution.

~~(f)~~ (f) "Substitute teacher" means an individual who performs on a temporary basis the duties of the individual who made the record, but does not include an individual who permanently succeeds to the position of the maker of the record.

(g) "Technology provider" means a person who:

(1) contracts with a public educational agency or institution, as part of a one-to-one program or otherwise, to provide a school-issued device for student use; and

(2) creates, receives, or maintains educational data pursuant or incidental to a contract with a public educational agency or institution.

EFFECTIVE DATE. This section is effective for the 2022-2023 school year and later.

Sec. 10. Minnesota Statutes 2020, section 13.32, subdivision 3, is amended to read:

Subd. 3. **Private data; when disclosure is permitted.** Except as provided in subdivision 5, educational data is private data on individuals and shall not be disclosed except as follows:

- (a) pursuant to section 13.05;
- (b) pursuant to a valid court order;
- (c) pursuant to a statute specifically authorizing access to the private data;
- (d) to disclose information in health, including mental health, and safety emergencies pursuant to the provisions of United States Code, title 20, section 1232g(b)(1)(I) and Code of Federal Regulations, title 34, section 99.36;
- (e) pursuant to the provisions of United States Code, title 20, sections 1232g(b)(1), (b)(4)(A), (b)(4)(B), (b)(1)(B), (b)(3), (b)(6), (b)(7), and (i), and Code of Federal Regulations, title 34, sections 99.31, 99.32, 99.33, 99.34, 99.35, and 99.39;
- (f) to appropriate health authorities to the extent necessary to administer immunization programs and for bona fide epidemiologic investigations which the commissioner of health determines are necessary to prevent disease or disability to individuals in the public educational agency or institution in which the investigation is being conducted;
- (g) when disclosure is required for institutions that participate in a program under title IV of the Higher Education Act, United States Code, title 20, section 1092;
- (h) to the appropriate school district officials to the extent necessary under subdivision 6, annually to indicate the extent and content of remedial instruction, including the results of assessment testing and academic performance at a postsecondary institution during the previous academic year by a student who graduated from a Minnesota school district within two years before receiving the remedial instruction;
- (i) to appropriate authorities as provided in United States Code, title 20, section 1232g(b)(1)(E)(ii), if the data concern the juvenile justice system and the ability of the system to effectively serve, prior to adjudication, the student whose records are released; provided that the authorities to whom the data are released submit a written request for the data that certifies that the data will not be disclosed to any other person except as authorized by law without the written consent of the parent of the student and the request and a record of the release are maintained in the student's file;
- (j) to volunteers who are determined to have a legitimate educational interest in the data and who are conducting activities and events sponsored by or endorsed by the educational agency or institution for students or former students;
- (k) to provide student recruiting information, from educational data held by colleges and universities, as required by and subject to Code of Federal Regulations, title 32, section 216;
- (l) to the juvenile justice system if information about the behavior of a student who poses a risk of harm is reasonably necessary to protect the health or safety of the student or other individuals;
- (m) with respect to Social Security numbers of students in the adult basic education system, to Minnesota State Colleges and Universities and the Department of Employment and Economic Development for the purpose and in the manner described in section 124D.52, subdivision 7;

(n) to the commissioner of education for purposes of an assessment or investigation of a report of alleged maltreatment of a student as mandated by chapter 260E. Upon request by the commissioner of education, data that are relevant to a report of maltreatment and are from charter school and school district investigations of alleged maltreatment of a student must be disclosed to the commissioner, including, but not limited to, the following:

- (1) information regarding the student alleged to have been maltreated;
- (2) information regarding student and employee witnesses;
- (3) information regarding the alleged perpetrator; and

(4) what corrective or protective action was taken, if any, by the school facility in response to a report of maltreatment by an employee or agent of the school or school district;

(o) when the disclosure is of the final results of a disciplinary proceeding on a charge of a crime of violence or nonforcible sex offense to the extent authorized under United States Code, title 20, section 1232g(b)(6)(A) and (B) and Code of Federal Regulations, title 34, sections 99.31 (a)(13) and (14);

(p) when the disclosure is information provided to the institution under United States Code, title 42, section 14071, concerning registered sex offenders to the extent authorized under United States Code, title 20, section 1232g(b)(7); ~~or~~

(q) when the disclosure is to a parent of a student at an institution of postsecondary education regarding the student's violation of any federal, state, or local law or of any rule or policy of the institution, governing the use or possession of alcohol or of a controlled substance, to the extent authorized under United States Code, title 20, section 1232g(i), and Code of Federal Regulations, title 34, section 99.31 (a)(15), and provided the institution has an information release form signed by the student authorizing disclosure to a parent. The institution must notify parents and students about the purpose and availability of the information release forms. At a minimum, the institution must distribute the information release forms at parent and student orientation meetings;

(r) with Tribal Nations about Tribally enrolled or descendant students to the extent necessary for the Tribal Nation and school district or charter school to support the educational attainment of the student; or

(s) a student's name, home address, telephone number, e-mail address, or other personal contact information may be disclosed to a government entity that is determined to have a legitimate educational interest in the data and that is conducting a service, activity, or event sponsored by or endorsed by the educational agency or institution for students or former students.

Sec. 11. Minnesota Statutes 2020, section 13.32, subdivision 5, is amended to read:

Subd. 5. **Directory information.** ~~Information~~ (a) Educational data designated as directory information is public data on individuals to the extent required under federal law. Directory information must be designated pursuant to the provisions of:

(1) this subdivision; and

(2) United States Code, title 20, section 1232g, and Code of Federal Regulations, title 34, section 99.37, which are were in effect on January 3, 2012, ~~is public data on individuals, to the extent required under federal law.~~

(b) When conducting the directory information designation and notice process required by federal law, an educational agency or institution shall give parents and students notice of the right to refuse to let the agency or institution designate ~~any or all~~ specified data about the student as directory information. This notice may be given by any means reasonably likely to inform the parents and students of the right.

(c) An educational agency or institution may not designate a student's home address, telephone number, e-mail address, or other personal contact information as directory information under this subdivision. This paragraph does not apply to a postsecondary institution.

EFFECTIVE DATE. This section is effective the day following final enactment. Beginning upon the effective date of this section, a student's personal contact information subject to this section must be treated by an educational agency or institution as private educational data under Minnesota Statutes, section 13.32, regardless of whether that contact information was previously designated as directory information under Minnesota Statutes, section 13.32, subdivision 5.

Sec. 12. Minnesota Statutes 2020, section 13.32, is amended by adding a subdivision to read:

Subd. 13. Technology providers. (a) A technology provider is subject to the provisions of section 13.05, subdivision 11.

(b) All educational data created, received, maintained, or disseminated by a technology provider pursuant or incidental to a contract with a public educational agency or institution are not the technology provider's property.

(c) If educational data maintained by the technology provider are subject to a breach of the security of the data, as defined in section 13.055, the technology provider must, following discovery of the breach, disclose to the public educational agency or institution all information necessary to fulfill the requirements of section 13.055.

(d) Unless renewal of the contract is reasonably anticipated, within 30 days of the expiration of the contract, a technology provider must destroy or return to the appropriate public educational agency or institution all educational data created, received, or maintained pursuant or incidental to the contract.

(e) A technology provider must not sell, share, or disseminate educational data, except as provided by this section or as part of a valid delegation or assignment of its contract with a public educational agency or institution. An assignee or delegee that creates, receives, or maintains educational data is subject to the same restrictions and obligations under this section as the technology provider.

(f) A technology provider must not use educational data for any commercial purpose, including but not limited to marketing or advertising to a student or parent.

(g) A technology provider must establish written procedures to ensure appropriate security safeguards for educational data. These procedures must require that:

(1) the technology provider's employees or contractors have access to educational data only if authorized; and

(2) the technology provider's employees or contractors may be authorized to access educational data only if access is necessary to fulfill the official duties of the employee or contractor.

These written procedures are public data.

(h) Within 30 days of the start of each school year, a public educational agency or institution must give parents and students direct, timely notice, by United States mail, e-mail, or other direct form of communication, of any curriculum, testing, or assessment technology provider contract affecting a student's educational data. The notice must:

(1) identify each curriculum, testing, or assessment technology provider with access to educational data;

(2) identify the educational data affected by the curriculum, testing, or assessment technology provider contract; and

(3) include information about the contract inspection and, if applicable, the parent or student's ability to opt out of any program or activity that allows a curriculum, testing, or assessment technology provider to access a student's educational data.

(i) A public educational agency or institution must provide parents and students an opportunity to inspect a complete copy of any contract with a technology provider.

(j) A public educational agency or institution must not penalize or withhold an educational benefit from a parent or student who opts out of any program or activity that allows a technology provider to access a student's educational data.

EFFECTIVE DATE. This section is effective for the 2022-2023 school year and later.

Sec. 13. Minnesota Statutes 2020, section 13.32, is amended by adding a subdivision to read:

Subd. 14. **School-issued devices.** (a) Except as provided in paragraph (b), a government entity or technology provider must not electronically access or monitor:

(1) any location-tracking feature of a school-issued device;

(2) any audio or visual receiving, transmitting, or recording feature of a school-issued device; or

(3) student interactions with a school-issued device, including but not limited to keystrokes and web-browsing activity.

(b) A government entity or technology provider may only engage in activities prohibited by paragraph (a) if:

(1) the activity is limited to a noncommercial educational purpose for instruction by district employees, or technical support by district employees, and notice is provided in advance;

(2) the activity is permitted under a judicial warrant;

(3) the public educational agency or institution is notified or becomes aware that the device is missing or stolen;

(4) the activity is necessary to respond to an imminent threat to life or safety and the access is limited to that purpose;

(5) the activity is necessary to comply with federal or state law; or

(6) the activity is necessary to participate in federal or state funding programs, including but not limited to the E-Rate program.

(c) If a government entity or technology provider interacts with a school-issued device as provided in paragraph (b), clause (4), it must, within 72 hours of the access, notify the student to whom the school-issued device was issued or that student's parent and provide a written description of the interaction, including which features of the device were accessed and a description of the threat. This notice is not required at any time when the notice itself would pose an imminent threat to life or safety, but must instead be given within 72 hours after that imminent threat has ceased.

EFFECTIVE DATE. This section is effective for the 2022-2023 school year and later.

Sec. 14. Minnesota Statutes 2020, section 13.32, is amended by adding a subdivision to read:

Subd. 15. **Application to postsecondary institutions; exemption.** (a) A postsecondary institution is exempt from subdivisions 13 and 14. This exemption extends to a technology provider for purposes of a contract with a postsecondary institution.

(b) Subdivisions 13 and 14 shall not apply to a nonprofit national assessment provider solely for purposes of providing access to employment, educational scholarships and programs, financial aid, or postsecondary educational opportunities, if the provider secures express digital or written consent of the student or the student's parent or guardian, in response to clear and conspicuous notice.

EFFECTIVE DATE. This section is effective for the 2022-2023 school year and later.

Sec. 15. **[13.463] EDUCATION SUPPORT SERVICES DATA.**

Subdivision 1. **Definition.** As used in this section, "education support services data" means data on individuals collected, created, maintained, used, or disseminated relating to programs administered by a government entity or entity under contract with a government entity designed to eliminate disparities and advance equities in educational achievement for youth by coordinating services available to participants, regardless of the youth's involvement with other government services. Education support services data does not include welfare data under section 13.46.

Subd. 2. **Classification.** (a) Unless otherwise provided by law, all education support services data are private data on individuals and must not be disclosed except according to section 13.05 or a court order.

(b) The responsible authority for a government entity maintaining education support services data must establish written procedures to ensure that only individuals authorized by law may enter, update, or access not public data collected, created, or maintained by the driver and vehicle services information system. An authorized individual's ability to enter, update, or access data in the system must correspond to the official duties or training level of the individual and to the statutory authorization granting access for that purpose. All queries and responses, and all actions in which education support services data are entered, updated, accessed, shared, or disseminated, must be recorded in a data audit trail. Data contained in the audit trail have the same classification as the underlying data tracked by the audit trail.

Sec. 16. Minnesota Statutes 2021 Supplement, section 299C.72, subdivision 2, is amended to read:

Subd. 2. **Criminal history check authorized.** (a) The criminal history check authorized by this section shall not be used in place of a statutorily mandated or authorized background check.

(b) An authorized law enforcement agency may conduct a criminal history check of an individual who is an applicant for employment, current employee, applicant for licensure, or current licensee. Prior to conducting the criminal history check, the authorized law enforcement agency must receive the informed consent of the individual.

(c) The authorized law enforcement agency ~~shall not may~~ disseminate criminal history data ~~and to either the hiring or licensing authority of the city or county requesting checks for applicants, licensees, or current employees. The authorized law enforcement agency and the hiring or licensing authority of the city or county must maintain it~~ criminal history data securely ~~with the agency's office and act consistently with section 364.05. The authorized law enforcement agency can indicate whether the applicant for employment or applicant for licensure has a criminal history that would prevent hire, acceptance as a volunteer to a hiring authority, or would prevent the issuance of a license to the department that issues the license.~~

Sec. 17. Minnesota Statutes 2020, section 626A.35, is amended by adding a subdivision to read:

Subd. 2b. **Exception; stolen motor vehicles.** (a) The prohibition of subdivision 1 does not apply to the use of a mobile tracking device on a stolen motor vehicle when:

(1) the consent of the owner of the vehicle has been obtained; or

(2) the owner of the motor vehicle has reported to law enforcement that the vehicle is stolen.

(b) Within 24 hours of a tracking device being attached to a vehicle pursuant to the authority granted in paragraph (a), clause (2), an officer employed by the agency that attached the tracking device to the vehicle must remove the device, disable the device, or obtain a search warrant granting approval to continue to use the device in the investigation.

(c) A peace officer employed by the agency that attached a tracking device to a stolen motor vehicle must remove the tracking device if the vehicle is recovered and returned to the owner.

(d) Any tracking device evidence collected after the motor vehicle is returned to the owner is inadmissible.

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

ARTICLE 2 UNIFORM CANADIAN JUDGMENTS

Section 1. **[548.64] SHORT TITLE.**

Sections 548.64 to 548.74 may be cited as the "Uniform Registration of Canadian Money Judgments Act."

Sec. 2. **[548.65] DEFINITIONS.**

In sections 548.64 to 548.74:

(1) "Canada" means the sovereign nation of Canada and its provinces and territories. "Canadian" has a corresponding meaning.

(2) "Canadian judgment" means a judgment of a court of Canada, other than a judgment that recognizes the judgment of another foreign country.

Sec. 3. **[548.66] APPLICABILITY.**

(a) Sections 548.64 to 548.74 apply to a Canadian judgment to the extent the judgment is within the scope of sections 548.54 to 548.63, if recognition of the judgment is sought to enforce the judgment.

(b) A Canadian judgment that grants both recovery of a sum of money and other relief may be registered under sections 548.64 to 548.74, but only to the extent of the grant of recovery of a sum of money.

(c) A Canadian judgment regarding subject matter both within and not within the scope of sections 548.64 to 548.74 may be registered under sections 548.64 to 548.74, but only to the extent the judgment is with regard to subject matter within the scope of sections 548.64 to 548.74.

Sec. 4. **[548.67] REGISTRATION OF CANADIAN JUDGMENT.**

(a) A person seeking recognition of a Canadian judgment described in section 548.66 to enforce the judgment may register the judgment in the office of the court administrator of a court in which an action for recognition of the judgment could be filed under section 548.59.

(b) A registration under paragraph (a) must be executed by the person registering the judgment or the person's attorney and include:

(1) a copy of the Canadian judgment authenticated in the same manner as a copy of a foreign judgment is authenticated in an action under section 548.59 as an accurate copy by the court that entered the judgment;

(2) the name and address of the person registering the judgment;

(3) if the person registering the judgment is not the person in whose favor the judgment was rendered, a statement describing the interest the person registering the judgment has in the judgment which entitles the person to seek its recognition and enforcement;

(4) the name and last-known address of the person against whom the judgment is being registered;

(5) if the judgment is of the type described in section 548.66, paragraph (b) or (c), a description of the part of the judgment being registered;

(6) the amount of the judgment or part of the judgment being registered, identifying:

(i) the amount of interest accrued as of the date of registration on the judgment or part of the judgment being registered, the rate of interest, the part of the judgment to which interest applies, and the date when interest began to accrue;

(ii) costs and expenses included in the judgment or part of the judgment being registered, other than an amount awarded for attorney fees; and

(iii) the amount of an award of attorney fees included in the judgment or part of the judgment being registered;

(7) the amount, as of the date of registration, of post-judgment costs, expenses, and attorney fees claimed by the person registering the judgment or part of the judgment;

(8) the amount of the judgment or part of the judgment being registered which has been satisfied as of the date of registration;

(9) a statement that:

(i) the judgment is final, conclusive, and enforceable under the law of the Canadian jurisdiction in which it was rendered;

(ii) the judgment or part of the judgment being registered is within the scope of sections 548.64 to 548.74; and

(iii) if a part of the judgment is being registered, the amounts stated in the registration under clauses (6), (7), and (8) relate to the part;

(10) if the judgment is not in English, a certified translation of the judgment into English; and

(11) the filing fee stated in section 548.30.

(c) On receipt of a registration that includes the documents, information, and filing fee required by paragraph (b), the court administrator shall file the registration, assign a docket number, and enter the Canadian judgment in the court's docket.

(d) A registration substantially in the following form complies with the registration requirements under paragraph (b) if the registration includes the attachments specified in the form:

REGISTRATION OF CANADIAN MONEY JUDGMENT

Complete and file this form, together with the documents required by Part V of this form, with the court administrator. When stating an amount of money, identify the currency in which the amount is stated.

PART I. IDENTIFICATION OF CANADIAN JUDGMENT

Canadian Court Rendering the Judgment:

.....

Case/Docket Number in Canadian Court:

.....

Name of Plaintiff(s):

.....

Name of Defendant(s):

.....

The Canadian Court entered the judgment:

on in in
 [Date] [City] [Province or Territory]

The judgment includes an award for the payment of money in favor of

in the amount of

If only part of the Canadian judgment is subject to registration (see section 548.66, paragraphs (b) and (c)), describe the part of the judgment being registered:

.....

PART II. IDENTIFICATION OF PERSON REGISTERING JUDGMENT AND PERSON AGAINST WHOM JUDGMENT IS BEING REGISTERED

Provide the following information for all persons seeking to register the judgment under this registration and all persons against whom the judgment is being registered under this registration. Name of Person(s) Registering Judgment:

.....

If a person registering the judgment is not the person in whose favor the judgment was rendered, describe the interest the person registering the judgment has in the judgment which entitles the person to seek its recognition and enforcement:

.....

Address of Person(s) Registering Judgment:

.....

Additional Contact Information for Person(s) Registering Judgment (Optional):

Telephone Number: Fax Number:

E-mail Address:

Name of Attorney for Person(s) Registering Judgment, if any:

.....

Address:

Telephone Number: Fax Number:

E-mail Address:

Name of Person(s) Against Whom Judgment is Being Registered:

.....

Address of Person(s) Against Whom Judgment is Being Registered:

..... (provide the most recent address known)

Additional Contact Information for Person(s) Against Whom Judgment is Being Registered (Optional) (provide most recent information known):

Telephone Number: Fax Number:

E-mail Address:

PART III. CALCULATION OF AMOUNT FOR WHICH ENFORCEMENT IS SOUGHT

Identify the currency or currencies in which each amount is stated.

The amount of the Canadian judgment or part of the judgment being registered is:

.....

The amount of interest accrued as of the date of registration on the part of the judgment being registered is:

.....

The applicable rate of interest is:

The date when interest began to accrue is:

The part of the judgment to which the interest applies is:

The Canadian Court awarded costs and expenses relating to the part of the judgment being registered in the amount of:

.....

(exclude any amount included in the award of costs and expenses which represents an award of attorney fees).

The person registering the Canadian judgment claims post-judgment costs and expenses in the amount of:

.....

and post-judgment attorney fees in the amount of

.....

relating to the part of the judgment being registered (include only costs, expenses, and attorney fees incurred before registration).

The amount of the part of the judgment being registered which has been satisfied as of the date of registration is

.....

The total amount for which enforcement of the part of the judgment being registered is sought is

.....

PART IV. STATEMENT OF PERSON REGISTERING JUDGMENT

I,, state:

(Person Registering Judgment or Attorney for Person Registering Judgment)

1. The Canadian judgment is final, conclusive, and enforceable under the law of the Canadian jurisdiction in which it was rendered.

2. The Canadian judgment or part of the judgment being registered is within the scope of Minnesota Statutes, sections 548.64 to 548.74.

3. If only a part of the Canadian judgment is being registered, the amounts stated in Part III of this form relate to that part.

PART V. ITEMS REQUIRED TO BE INCLUDED WITH REGISTRATION

Attached are (check to signify required items are included):

..... A copy of the Canadian judgment authenticated in the same manner a copy of a foreign judgment is authenticated in an action under Minnesota Statutes, section 548.59, as an accurate copy by the Canadian court that entered the judgment.

..... If the Canadian judgment is not in English, a certified translation of the judgment into English.

..... The registration fee stated in Minnesota Statutes, section 548.30.

I declare that the information provided on this form is true and correct to the best of my knowledge and belief.

Submitted by:

Signature of Person Registering Judgment or

Attorney for Person Registering Judgment

Date of submission:

Sec. 5. **[548.68] EFFECT OF REGISTRATION.**

(a) Subject to paragraph (b), a Canadian judgment registered under section 548.67 has the same effect provided in section 548.60 for a judgment a court determines to be entitled to recognition.

(b) A Canadian judgment registered under section 548.67 may not be enforced by sale or other disposition of property, or by seizure of property or garnishment, until 31 days after notice under section 548.69 of registration is served. The court for cause may provide for a shorter or longer time. This paragraph does not preclude use of relief available under law of this state other than sections 548.64 to 548.74 to prevent dissipation, disposition, or removal of property.

Sec. 6. **[548.69] NOTICE OF REGISTRATION.**

(a) A person that registers a Canadian judgment under section 548.67 shall cause notice of registration to be served on the person against whom the judgment has been registered.

(b) Notice under this section must be served in the same manner that a summons and complaint must be served in an action seeking recognition under section 548.59 of a foreign-country money judgment.

(c) Notice under this section must include:

(1) the date of registration and court in which the judgment was registered;

(2) the docket number assigned to the registration;

(3) the name and address of:

(i) the person registering the judgment; and

(ii) the person's attorney, if any;

(4) a copy of the registration, including the documents required under section 548.67, paragraph (b); and

(5) a statement that:

(i) the person against whom the judgment has been registered, not later than 30 days after the date of service of notice, may petition the court to vacate the registration; and

(ii) the court for cause may provide for a shorter or longer time.

(d) Proof of service of notice under this section must be filed with the court administrator.

Sec. 7. **[548.70] PETITION TO VACATE REGISTRATION.**

(a) Not later than 30 days after notice under section 548.69 is served, the person against whom the judgment was registered may petition the court to vacate the registration. The court for cause may provide for a shorter or longer time for filing the petition.

(b) A petition under this section may assert only:

(1) a ground that could be asserted to deny recognition of the judgment under sections 548.54 to 548.63; or

(2) a failure to comply with a requirement of sections 548.64 to 548.74 for registration of the judgment.

(c) A petition filed under this section does not itself stay enforcement of the registered judgment.

(d) If the court grants a petition under this section, the registration is vacated, and any act under the registration to enforce the registered judgment is void.

(e) If the court grants a petition under this section on a ground under paragraph (b), clause (1), the court also shall render a judgment denying recognition of the Canadian judgment. A judgment rendered under this subsection has the same effect as a judgment denying recognition to a judgment on the same ground under sections 548.54 to 548.63.

Sec. 8. [548.71] STAY OF ENFORCEMENT OF JUDGMENT PENDING DETERMINATION OF PETITION.

A person that files a petition under section 548.70, paragraph (a), to vacate registration of a Canadian judgment may request the court to stay enforcement of the judgment pending determination of the petition. The court shall grant the stay if the person establishes a likelihood of success on the merits with regard to a ground listed in section 548.70, paragraph (b), for vacating a registration. The court may require the person to provide security in an amount determined by the court as a condition of granting the stay.

Sec. 9. [548.72] RELATIONSHIP TO UNIFORM FOREIGN-COUNTRY MONEY JUDGMENTS RECOGNITION ACT.

(a) Sections 548.64 to 548.74 supplement the Uniform Foreign-Country Money Judgments Recognition Act, and sections 548.54 to 548.63, other than section 548.59, apply to a registration under sections 548.64 to 548.74.

(b) A person may seek recognition of a Canadian judgment described in section 548.66 either:

(1) by registration under sections 548.64 to 548.74; or

(2) under section 548.59.

(c) Subject to paragraph (d), a person may not seek recognition in this state of the same judgment or part of a judgment described in 548.66, paragraph (b) or (c), with regard to the same person under both sections 548.59 and 548.64 to 548.74.

(d) If the court grants a petition to vacate a registration solely on a ground under section 548.70, paragraph (b), clause (2), the person seeking registration may:

(1) if the defect in the registration can be cured, file a new registration under sections 548.64 to 548.74; or

(2) seek recognition of the judgment under section 548.59.

Sec. 10. [548.73] UNIFORMITY OF APPLICATION AND INTERPRETATION.

In applying and construing this uniform act, consideration must be given to the need to promote uniformity of the law with respect to its subject matter among states that enact it.

Sec. 11. **[548.74] TRANSITIONAL PROVISION.**

Sections 548.64 to 548.74 apply to the registration of a Canadian judgment entered in a proceeding that is commenced in Canada on or after the effective date of sections 548.64 to 548.74.

Sec. 12. **EFFECTIVE DATE.**

Sections 1 to 11 are effective January 1, 2023.

ARTICLE 3
HUMAN RIGHTS

Section 1. Minnesota Statutes 2020, section 363A.03, is amended by adding a subdivision to read:

Subd. 36a. **Race.** "Race" is inclusive of traits associated with race, including but not limited to hair texture and hair styles such as braids, locks, and twists.

Sec. 2. Minnesota Statutes 2020, section 363A.08, is amended by adding a subdivision to read:

Subd. 8. **Inquiries into pay history prohibited.** (a) "Pay history" as used in this subdivision means any prior or current wage, salary, earnings, benefits, or any other compensation about an applicant for employment.

(b) An employer, employment agency, or labor organization shall not inquire into, consider, or require disclosure from any source the pay history of an applicant for employment for the purpose of determining wages, salary, earnings, benefits, or other compensation for that applicant. There is a rebuttable presumption that use of pay history received on an applicant for employment to determine the future wages, salary, earnings, benefits, or other compensation for that applicant is an unfair discriminatory employment practice under subdivisions 1 to 3. The general prohibition against inquiring into the pay history of an applicant does not apply if the job applicant's pay history is a matter of public record under federal or state law, unless the employer, employment agency, or labor organization sought access to those public records with the intent of obtaining pay history of the applicant for the purpose of determining wages, salary, earnings, benefits, or other compensation for that applicant.

(c) Nothing in this subdivision shall prevent an applicant for employment from voluntarily and without prompting disclosing pay history for the purposes of negotiating wages, salary, benefits, or other compensation. If an applicant for employment voluntarily and without prompting discloses pay history to a prospective employer, employment agency, or labor organization, nothing in this subdivision shall prohibit that employer, employment agency, or labor organization from considering or acting on that voluntarily disclosed salary history information to support a wage or salary higher than initially offered by the employer, employment agency, or labor organization.

(d) Nothing in this subdivision limits, prohibits, or prevents a person from bringing a charge, grievance, or any other cause of action alleging wage discrimination because of race, color, creed, religion, national origin, sex, gender identity, marital status, status with regard to public assistance, familial status, membership or activity in a local commission, disability, sexual orientation, or age, as otherwise provided in this chapter.

(e) Nothing in this subdivision shall be construed to prevent an employer from:

(1) providing information about the wages, benefits, compensation, or salary offered in relation to a position; or

(2) inquiring about or otherwise engaging in discussions with an applicant about the applicant's expectations or requests with respect to wages, salary, benefits, or other compensation.

EFFECTIVE DATE. This section is effective January 1, 2023. For employment covered by collective bargaining agreements, this section is not effective until the date of implementation of the applicable collective bargaining agreement that is after January 1, 2023.

Sec. 3. Minnesota Statutes 2020, section 363A.11, subdivision 2, is amended to read:

Subd. 2. **General prohibitions.** This subdivision lists general prohibitions against discrimination on the basis of disability. For purposes of this subdivision, "individual" or "class of individuals" refers to the clients or customers of the covered public accommodation that enter into the contractual, licensing, or other arrangement.

(1) It is discriminatory to:

(i) subject an individual or class of individuals on the basis of a disability of that individual or class, directly or through contractual, licensing, or other arrangements, to a denial of the opportunity of the individual or class to participate in or benefit from the goods, services, facilities, privileges, advantages, or accommodations of an entity;

(ii) afford an individual or class of individuals on the basis of the disability of that individual or class, directly or through contractual, licensing, or other arrangements, with the opportunity to participate in or benefit from the goods, services, facilities, privileges, advantages, or accommodations that are not equal to those afforded to other individuals; ~~and~~

(iii) provide an individual or class of individuals, on the basis of a disability of that individual or class, directly or through contractual, licensing, or other arrangements, with goods, services, facilities, privileges, advantages, or accommodations that are different or separate from those provided to other individuals, unless the action is necessary to provide the individual or class of individuals with goods, services, facilities, privileges, advantages, or accommodations, or other opportunities that are as effective as those provided to others; and

(iv) not provide a deaf or hard-of-hearing individual or class of deaf or hard-of-hearing individuals with closed-captioned television when television services are provided to other individuals.

(2) Goods, services, facilities, privileges, advantages, and accommodations must be afforded to an individual with a disability in the most integrated setting appropriate to the needs of the individual.

(3) Notwithstanding the existence of separate or different programs or activities provided in accordance with sections 363A.08 to 363A.19, and 363A.28, subdivision 10, the individual with a disability may not be denied the opportunity to participate in the programs or activities that are not separate or different.

(4) An individual or entity may not, directly or through contractual or other arrangements, use standards or criteria and methods of administration:

(i) that have the effect of discriminating on the basis of disability; or

(ii) that perpetuate the discrimination of others who are subject to common administrative control.

Sec. 4. Minnesota Statutes 2020, section 363A.21, subdivision 1, is amended to read:

Subdivision 1. **Housing.** The provisions of section 363A.09 shall not apply to:

(1) rooms in a temporary or permanent residence home run by a nonprofit organization, if the discrimination is by sex; or

(2) the rental by a resident owner or occupier of a one-family accommodation of a room or rooms in the accommodation to another person or persons if the discrimination is by sex, marital status, status with regard to public assistance, sexual orientation, or disability. Except as provided elsewhere in this chapter or other state or federal law, no person or group of persons selling, renting, or leasing property is required to modify the property in

any way, or exercise a higher degree of care for a person having a disability than for a person who does not have a disability; nor shall this chapter be construed to relieve any person or persons of any obligations generally imposed on all persons regardless of any disability in a written lease, rental agreement, or contract of purchase or sale, or to forbid distinctions based on the inability to fulfill the terms and conditions, including financial obligations of the lease, agreement, or contract; ~~or~~.

~~(3) the rental by a resident owner of a unit in a dwelling containing not more than two units, if the discrimination is on the basis of sexual orientation.~~

Sec. 5. Minnesota Statutes 2021 Supplement, section 363A.50, is amended to read:

363A.50 NONDISCRIMINATION IN ACCESS TO TRANSPLANTS.

Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have the meanings given unless the context clearly requires otherwise.

(b) "Anatomical gift" has the meaning given in section 525A.02, subdivision 4.

(c) "Auxiliary aids and services" include, but are not limited to:

(1) qualified interpreters or other effective methods of making aurally delivered materials available to individuals with hearing impairments and to non-English-speaking individuals;

(2) qualified readers, taped texts, texts in accessible electronic format, or other effective methods of making visually delivered materials available to individuals with visual impairments;

(3) the provision of information in a format that is accessible for individuals with cognitive, neurological, developmental, intellectual, or physical disabilities;

(4) the provision of supported decision-making services; and

(5) the acquisition or modification of equipment or devices.

(d) "Covered entity" means:

(1) any licensed provider of health care services, including licensed health care practitioners, hospitals, nursing facilities, laboratories, intermediate care facilities, psychiatric residential treatment facilities, institutions for individuals with intellectual or developmental disabilities, and prison health centers; or

(2) any entity responsible for matching anatomical gift donors to potential recipients.

(e) "Disability" has the meaning given in section 363A.03, subdivision 12.

(f) "Organ transplant" means the transplantation or infusion of a part of a human body into the body of another for the purpose of treating or curing a medical condition.

(g) "Qualified individual" means an individual who, with or without available support networks, the provision of auxiliary aids and services, or reasonable modifications to policies or practices, meets the essential eligibility requirements for the receipt of an anatomical gift.

(h) "Reasonable modifications" include, but are not limited to:

(1) communication with individuals responsible for supporting an individual with postsurgical and post-transplantation care, including medication; and

(2) consideration of support networks available to the individual, including family, friends, and home and community-based services, including home and community-based services funded through Medicaid, Medicare, another health plan in which the individual is enrolled, or any program or source of funding available to the individual, in determining whether the individual is able to comply with post-transplant medical requirements.

(i) "Supported decision making" has the meaning given in section 524.5-102, subdivision 16a.

Subd. 2. **Prohibition of discrimination.** (a) A covered entity may not, on the basis of a qualified individual's race, ethnicity, mental disability, or physical disability:

(1) deem an individual ineligible to receive an anatomical gift or organ transplant;

(2) deny medical or related organ transplantation services, including evaluation, surgery, counseling, and postoperative treatment and care;

(3) refuse to refer the individual to a transplant center or other related specialist for the purpose of evaluation or receipt of an anatomical gift or organ transplant;

(4) refuse to place an individual on an organ transplant waiting list or place the individual at a lower-priority position on the list than the position at which the individual would have been placed if not for the individual's race, ethnicity, or disability; or

(5) decline insurance coverage for any procedure associated with the receipt of the anatomical gift or organ transplant, including post-transplantation and postinfusion care.

(b) Notwithstanding paragraph (a), a covered entity may take an individual's disability into account when making treatment or coverage recommendations or decisions, solely to the extent that the physical or mental disability has been found by a physician, following an individualized evaluation of the potential recipient to be medically significant to the provision of the anatomical gift or organ transplant. The provisions of this section may not be deemed to require referrals or recommendations for, or the performance of, organ transplants that are not medically appropriate given the individual's overall health condition.

(c) If an individual has the necessary support system to assist the individual in complying with post-transplant medical requirements, an individual's inability to independently comply with those requirements may not be deemed to be medically significant for the purposes of paragraph (b).

(d) A covered entity must make reasonable modifications to policies, practices, or procedures, when such modifications are necessary to make services such as transplantation-related counseling, information, coverage, or treatment available to qualified individuals with disabilities, unless the entity can demonstrate that making such modifications would fundamentally alter the nature of such services.

(e) A covered entity must take such steps as may be necessary to ensure that no qualified individual with a disability is denied services such as transplantation-related counseling, information, coverage, or treatment because of the absence of auxiliary aids and services, unless the entity can demonstrate that taking such steps would fundamentally alter the nature of the services being offered or result in an undue burden. A covered entity is not required to provide supported decision-making services.

(f) A covered entity must otherwise comply with the requirements of Titles II and III of the Americans with Disabilities Act of 1990, the Americans with Disabilities Act Amendments Act of 2008, and the Minnesota Human Rights Act.

(g) The provisions of this section apply to each part of the organ transplant process.

Subd. 3. **Remedies.** In addition to all other remedies available under this chapter, any individual who has been subjected to discrimination in violation of this section may initiate a civil action in a court of competent jurisdiction to enjoin violations of this section.

Sec. 6. **REPEALER.**

Minnesota Statutes 2020, sections 363A.20, subdivision 3; and 363A.27, are repealed.

ARTICLE 4
OTHER CIVIL LAW POLICY

Section 1. Minnesota Statutes 2020, section 84.775, subdivision 1, is amended to read:

Subdivision 1. **Civil citation; authority to issue.** (a) A conservation officer or other licensed peace officer may issue a civil citation to a person who operates:

(1) an off-highway motorcycle in violation of sections 84.773, subdivision 1 or 2, clause (1); 84.777; or 84.788 to 84.795; ~~or 84.90;~~

(2) an off-road vehicle in violation of sections 84.773, subdivision 1 or 2, clause (1); 84.777; or 84.798 to 84.804; ~~or 84.90; or~~

(3) an all-terrain vehicle in violation of sections 84.773, subdivision 1 or 2, clause (1); 84.777; ~~84.90;~~ or 84.922 to 84.928;

(4) a snowmobile in violation of sections 84.777 or 84.82 to 84.872; or

(5) an off-highway motorcycle, an off-road vehicle, an all-terrain vehicle, or a snowmobile in violation of section 84.90 or 97B.001.

(b) A civil citation under paragraph (a) shall require restitution for public and private property damage and impose a penalty of:

(1) ~~\$100~~ \$250 for the first offense;

(2) ~~\$200~~ \$500 for the second offense; and

(3) ~~\$500~~ \$1,000 for third and subsequent offenses.

(c) A conservation officer or other licensed peace officer may issue a civil citation to a person who operates an off-highway motorcycle, off-road vehicle, or all-terrain vehicle in violation of section 84.773, subdivision 2, clause (2) or (3). A civil citation under this paragraph shall require restitution for damage to wetlands and impose a penalty of:

(1) \$100 for the first offense;

- (2) \$500 for the second offense; and
- (3) \$1,000 for third and subsequent offenses.

(d) If the peace officer determines that there is damage to property requiring restitution, the commissioner must send a written explanation of the extent of the damage and the cost of the repair by first class mail to the address provided by the person receiving the citation within 15 days of the date of the citation.

(e) An off-road vehicle that is equipped with a snorkel device and receives a civil citation under this section is subject to twice the penalty amounts in paragraphs (b) and (c).

Sec. 2. Minnesota Statutes 2020, section 84.775, subdivision 4, is amended to read:

Subd. 4. **Allocating penalty amounts.** Penalty amounts collected from civil citations issued under this section must be paid to the treasury of the unit of government employing the officer that issued the civil citation. Penalties retained by the commissioner shall be credited as follows: to the off-highway motorcycle account under section 84.794 for citations involving off-highway motorcycles; to the off-road vehicle account under section 84.803 for citations involving off-road vehicles; ~~or~~ to the all-terrain vehicle account under section 84.927 for citations involving all-terrain vehicles; or to the snowmobile trails and enforcement account under section 84.83 for citations involving snowmobiles. Penalty amounts credited under this subdivision are dedicated for ~~the enforcement of enforcing~~ off-highway vehicle laws or for enforcing snowmobile laws.

Sec. 3. Minnesota Statutes 2021 Supplement, section 169A.63, subdivision 8, is amended to read:

Subd. 8. **Administrative forfeiture procedure.** (a) A motor vehicle used to commit a designated offense or used in conduct resulting in a designated license revocation is subject to administrative forfeiture under this subdivision.

(b) Within 60 days from when a motor vehicle is seized under subdivision 2, or within a reasonable time after seizure, the appropriate agency shall serve the driver or operator of the vehicle with a notice of the seizure and intent to forfeit the vehicle. Additionally, when a motor vehicle is seized under subdivision 2, or within a reasonable time after that, all persons known to have an ownership, possessory, or security interest in the vehicle must be notified of the seizure and the intent to forfeit the vehicle. For those vehicles required to be registered under chapter 168, the notification to a person known to have a security interest in the vehicle is required only if the vehicle is registered under chapter 168 and the interest is listed on the vehicle's title. Upon motion by the appropriate agency or prosecuting authority, a court may extend the time period for sending notice for a period not to exceed 90 days for good cause shown. Notice mailed by certified mail to the address shown in Department of Public Safety records is sufficient notice to the registered owner of the vehicle. For motor vehicles not required to be registered under chapter 168, notice mailed by certified mail to the address shown in the applicable filing or registration for the vehicle is sufficient notice to a person known to have an ownership, possessory, or security interest in the vehicle. Otherwise, notice may be given in the manner provided by law for service of a summons in a civil action.

(c) The notice must be in writing and contain:

- (1) a description of the vehicle seized;
- (2) the date of seizure; and

(3) notice of the right to obtain judicial review of the forfeiture and of the procedure for obtaining that judicial review, printed in English. This requirement does not preclude the appropriate agency from printing the notice in other languages in addition to English.

Substantially the following language must appear conspicuously in the notice:

"WARNING: If you were the person arrested when the property was seized, you will automatically lose the above-described property and the right to be heard in court if you do not file a lawsuit and serve the prosecuting authority within 60 days. You may file your lawsuit in conciliation court if the property is worth \$15,000 or less; otherwise, you must file in district court. You do not have to pay a filing fee for your lawsuit.

WARNING: If you have an ownership interest in the above-described property and were not the person arrested when the property was seized, you will automatically lose the above-described property and the right to be heard in court if you do not notify the prosecuting authority of your interest in writing within 60 days."

(d) If notice is not sent in accordance with paragraph (b), and no time extension is granted or the extension period has expired, the appropriate agency shall return the vehicle to the owner. An agency's return of property due to lack of proper notice does not restrict the agency's authority to commence a forfeiture proceeding at a later time.

(e) Within 60 days following service of a notice of seizure and forfeiture under this subdivision, a claimant may file a demand for a judicial determination of the forfeiture. The demand must be in the form of a civil complaint and must be filed with the court administrator in the county in which the seizure occurred, together with proof of service of a copy of the complaint on the prosecuting authority having jurisdiction over the forfeiture. The claimant may serve the complaint by certified mail or any means permitted by court rules. If the value of the seized property is \$15,000 or less, the claimant may file an action in conciliation court for recovery of the seized vehicle. A copy of the conciliation court statement of claim ~~must~~ may be served personally or ~~by mail as permitted by the Rules of Conciliation Court Procedure~~ on the prosecuting authority having jurisdiction over the forfeiture within 60 days following service of the notice of seizure and forfeiture under this subdivision. The claimant does not have to pay the court filing fee.

No responsive pleading is required of the prosecuting authority and no court fees may be charged for the prosecuting authority's appearance in the matter. The prosecuting authority may appear for the appropriate agency. Pleadings, filings, and methods of service are governed by the Rules of Civil Procedure and, where applicable, by the Rules of Conciliation Court Procedure.

(f) The complaint must be captioned in the name of the claimant as plaintiff and the seized vehicle as defendant, and must state with specificity the grounds on which the claimant alleges the vehicle was improperly seized, the claimant's interest in the vehicle seized, and any affirmative defenses the claimant may have. Notwithstanding any law to the contrary, an action for the return of a vehicle seized under this section may not be maintained by or on behalf of any person who has been served with a notice of seizure and forfeiture unless the person has complied with this subdivision.

(g) If the claimant makes a timely demand for a judicial determination under this subdivision, the forfeiture proceedings must be conducted as provided under subdivision 9.

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

Sec. 4. Minnesota Statutes 2020, section 259.11, is amended to read:

259.11 ORDER; FILING COPIES.

(a) Upon meeting the requirements of section 259.10, the court shall grant the application unless: (1) it finds that there is an intent to defraud or mislead; (2) section 259.13 prohibits granting the name change; or (3) in the case of the change of a minor child's name, the court finds that such name change is not in the best interests of the child. The court shall set forth in the order the name and age of the applicant's spouse and each child of the applicant, if any, and shall state a description of the lands, if any, in which the applicant and the spouse and children, if any,

claim to have an interest. The court administrator shall file such order, and record the same in the judgment book. If lands be described therein, a certified copy of the order shall be filed for record, by the applicant, with the county recorder of each county wherein any of the same are situated. Before doing so the court administrator shall present the same to the county auditor who shall enter the change of name in the auditor's official records and note upon the instrument, over an official signature, the words "change of name recorded." Any such order shall not be filed, nor any certified copy thereof be issued, until the applicant shall have paid to the county recorder and court administrator the fee required by law. No application shall be denied on the basis of the marital status of the applicant.

(b) When a person applies for a name change, the court shall determine whether the person has a criminal history in this or any other state. The court may conduct a search of national records through the Federal Bureau of Investigation by submitting a set of fingerprints and the appropriate fee to the Bureau of Criminal Apprehension. If it is determined that the person has a criminal history in this or any other state, the court shall, within ten days after the name change application is granted, report the name change to the Bureau of Criminal Apprehension. The person whose name is changed shall also report the change to the Bureau of Criminal Apprehension within ten days. The court granting the name change application must explain this reporting duty in its order. Any person required to report the person's name change to the Bureau of Criminal Apprehension who fails to report the name change as required under this paragraph is guilty of a gross misdemeanor.

(c) Paragraph (b) does not apply to ~~either~~:

(1) a request for a name change as part of an application for a marriage license under section 517.08; ~~or~~

(2) a request for a name change in conjunction with a marriage dissolution under section 518.27; or

(3) a request for a name change filed under section 259.14.

Sec. 5. **[259.14] POSTDISSOLUTION NAME CHANGE.**

(a) A person who has resided in this state for at least six months and obtained the person's most recent final marriage dissolution from a district court in this state may apply to the district court in the county where the person resides to change the person's name to the legal name on the person's birth certificate. A person applying for a name change must submit a certified copy of the certificate of dissolution issued pursuant to section 518.148 and a certified copy of the person's birth certificate.

(b) A court shall not require a person applying for a name change to pay filing fees for an application submitted pursuant to this section. Notwithstanding section 259.10, a court shall not require the person applying for a name change to provide proof of the person's identity by two witnesses unless the proof of identity is necessary to determine whether the person has an intent to defraud or mislead the court.

(c) Upon meeting the requirements of this section, the court shall grant the application for a name change unless the court finds that (1) the person has an intent to defraud or mislead the court; or (2) section 259.13 prohibits granting the name change. The court shall notify the person applying for a name change that using a different surname without complying with section 259.13, if applicable, is a gross misdemeanor.

Sec. 6. Minnesota Statutes 2020, section 260C.101, subdivision 2, is amended to read:

Subd. 2. **Other matters relating to children.** The juvenile court has original and exclusive jurisdiction in proceedings concerning:

(1) the termination of parental rights to a child in accordance with the provisions of sections 260C.301 to 260C.328;

- (2) permanency matters under sections 260C.503 to 260C.521;
- (3) the appointment and removal of a juvenile court guardian for a child, where parental rights have been terminated under the provisions of sections 260C.301 to 260C.328;
- (4) judicial consent to the marriage of a child when required by law;
- (5) all adoption matters and review of the efforts to finalize the adoption of the child under section 260C.317;
- (6) the review of the placement of a child who is in foster care pursuant to a voluntary placement agreement between the child's parent or parents and the responsible social services agency under section 260C.227; or between the child, when the child is over age 18, and the agency under section 260C.229;
- (7) the review of voluntary foster care placement of a child for treatment under chapter 260D according to the review requirements of that chapter; ~~and~~
- (8) the reestablishment of a legal parent and child relationship under section 260C.329-; and
- (9) juvenile court guardianship petitions for at-risk juveniles filed under section 260C.149.

Sec. 7. **[260C.149] JUVENILE COURT GUARDIANSHIP FOR AT-RISK JUVENILES.**

Subdivision 1. **Definitions.** For the purposes of this section, the terms defined in this subdivision have the meanings given.

(a) "Abandonment" means the parent's failure to maintain contact with an at-risk juvenile on a regular basis or to demonstrate consistent interest in an at-risk juvenile's well-being beginning at least six months prior to the at-risk juvenile reaching the age of 18, or the death of an at-risk juvenile's parent.

(b) "Abuse" means, at any time in an at-risk juvenile's life, the infliction or threat of:

(1) psychological or emotional harm;

(2) physical injury that was not due to an accident; or

(3) sexual abuse, which includes sex trafficking as defined in section 609.321, subdivision 7a.

(c) "At-risk juvenile" means an unmarried person who is between the ages of 18 and 21 and is potentially eligible for classification under United States Code, title 8, section 1101(a)(27)(J), as amended through December 31, 2021.

(d) "Best interests" has the meaning given in section 260C.511, paragraph (a).

(e) "Guardian" means an adult who has been appointed by the court as the guardian of an at-risk juvenile under this section. A guardian includes but is not limited to a parent.

(f) "Mental injury" has the meaning given in section 260E.03, subdivision 13.

(g) "Neglect" means, at any time prior to an at-risk juvenile reaching the age of 18, the failure to give an at-risk juvenile proper care that causes the juvenile's health or welfare to be harmed or placed at substantial risk of harm or causes mental injury or a substantial risk of mental injury.

(h) "Petitioner" means the at-risk juvenile who is the subject of the petition.

Subd. 2. **Guardianship: purpose.** The purpose of the guardianship under this section is to provide an at-risk juvenile with guidance, assistance, financial and emotional support, and referrals to resources necessary to either or both:

(1) meet the at-risk juvenile's needs, which include but are not limited to shelter, nutrition, and access to and receipt of psychiatric, psychological, medical, dental, educational, occupational, or social services; or

(2) protect the at-risk juvenile from sex or labor trafficking or domestic or sexual violence.

Subd. 3. **Petition.** An at-risk juvenile may petition the juvenile court for the appointment of a guardian. The petition must state the name of the proposed guardian and allege that:

(1) the appointment of a guardian is in the best interests of the at-risk juvenile;

(2) the proposed guardian is capable and reputable;

(3) both the petitioner and the proposed guardian agree to the appointment of a guardianship under this section;

(4) reunification of the at-risk juvenile with one or both parents is not viable because of abandonment, abuse, neglect, or a similar basis that has an effect on an at-risk juvenile comparable to abandonment, abuse, or neglect under Minnesota law; and

(5) it is not in the best interests of the at-risk juvenile to be returned to the at-risk juvenile's or at-risk juvenile's parent's previous country of nationality or last habitual residence.

Subd. 4. **Right to counsel.** The at-risk juvenile petitioning for a guardianship and the proposed guardian named in the petition each have the right to be represented by counsel of the at-risk juvenile's or guardian's choosing and at the at-risk juvenile's or guardian's own expense.

Subd. 5. **Service.** The proposed guardian and, if an appointment of a new guardian is sought, the existing guardian for the at-risk juvenile previously appointed under this section are entitled to service in the manner specified in the Minnesota Rules of Juvenile Protection Procedure.

Subd. 6. **Notice to parents.** The petitioner must provide a copy of the petition to any living parent in any manner and format reasonably calculated to give the parent adequate notice at least 14 days prior to the hearing under subdivision 7. Prior to or at the hearing, the petitioner must file proof that the copy of the petition was provided to any living parents of the petitioner. The court may waive notice to a parent:

(1) if the identity or location of the petitioner's parent is unknown; or

(2) for any other reason that the court may deem appropriate.

Subd. 7. **Proceeding.** (a) The court shall hear and issue an order on any petition as soon as administratively feasible and prior to the at-risk juvenile reaching 21 years of age.

(b) Venue must be in the county where the at-risk juvenile or the proposed guardian resides.

(c) Nothing in this section authorizes the guardian to abrogate any rights or privileges to which the at-risk juvenile is entitled under law.

Subd. 8. **Order.** (a) The court must issue an order awarding a guardianship for the purposes identified in this section if the court finds that:

(1) the proposed guardian is capable and reputable;

(2) the guardianship is in the best interests of the at-risk juvenile;

(3) both the petitioner and the proposed guardian agree to the establishment of a guardianship under this section;

(4) reunification of the at-risk juvenile with one or both parents is not viable because of abandonment, abuse, neglect, or a similar basis that has an effect on an at-risk juvenile comparable to abandonment, abuse, or neglect under Minnesota law; and

(5) it is not in the best interests of the at-risk juvenile to be returned to the previous country of nationality or last habitual residence of the juvenile or the juvenile's parent or parents.

(b) The order must, where the identity is known, specifically identify the parent or parents whom the court finds have abused, abandoned, or neglected the at-risk juvenile.

(c) The order must contain relevant state statutory citations and written findings of fact to support each of these findings:

(1) the at-risk juvenile is dependent on the juvenile court, and has been placed under the custody of an individual appointed by the juvenile court, through the appointment of a guardian, for the purposes of this statute;

(2) reunification of the at-risk juvenile with one or both parents is not viable because of abandonment, abuse, or neglect or a similar basis that has an effect on an at-risk juvenile comparable to abandonment, abuse, or neglect under Minnesota law; and

(3) it is not in the best interests of the at-risk juvenile to be returned to the at-risk juvenile's or at-risk juvenile's parent's country of nationality or last habitual residence.

Subd. 9. **Appointment of new guardian.** At any time after the approval of a guardian under subdivision 8, an at-risk juvenile or the currently appointed at-risk juvenile's guardian may petition the juvenile court for appointment of a new guardian. The petition must state the name of the proposed new guardian and set forth the facts supporting the request. The court may appoint a new guardian if the court finds that:

(1) the proposed new guardian is capable and reputable;

(2) the appointment of a new guardian is in the best interests of the at-risk juvenile; and

(3) both the petitioner and the proposed new guardian agree to the establishment of the guardianship.

Subd. 10. **Automatic termination of guardianship.** A guardianship awarded under this section terminates when the at-risk juvenile attains the age of 21. The court's jurisdiction continues until termination of the guardianship.

Subd. 11. **Voluntary termination of guardianship.** The at-risk juvenile may request the termination of the guardianship at any time and, upon request, the court shall terminate the guardianship.

Subd. 12. **Relation to other guardianship law.** The provisions of sections 260C.325, 260C.328, and 524.5-101 to 524.5-317 do not apply to petitions for the appointment of a guardianship for an at-risk juvenile under this section.

Sec. 8. **[325E.72] DIGITAL FAIR REPAIR.**

Subdivision 1. **Short title.** This act may be cited as the "Digital Fair Repair Act."

Subd. 2. **Definitions.** (a) For the purposes of this section, the following terms have the meanings given.

(b) "Authorized repair provider" means an individual or business who is unaffiliated with an original equipment manufacturer and who has (1) an arrangement with the original equipment manufacturer, for a definite or indefinite period, under which the original equipment manufacturer grants to the individual or business a license to use a trade name, service mark, or other proprietary identifier to offer the services of diagnosis, maintenance, or repair of digital electronic equipment under the name of the original equipment manufacturer, or (2) other arrangements with the original equipment manufacturer to offer diagnostic, maintenance, or repair services on behalf of the original equipment manufacturer. An original equipment manufacturer that offers diagnostic, maintenance, or repair services for the original equipment manufacturer's digital electronic equipment is considered an authorized repair provider with respect to the digital electronic equipment if the original equipment manufacturer does not have an arrangement described in this paragraph with an unaffiliated individual or business.

(c) "Digital electronic equipment" or "equipment" means any product that depends for its functioning, in whole or in part, on digital electronics embedded in or attached to the product.

(d) "Documentation" means a manual, diagram, reporting output, service code description, schematic diagram, or similar information provided to an authorized repair provider to affect the services of diagnosis, maintenance, or repair of digital electronic equipment.

(e) "Embedded software" means any programmable instructions provided on firmware delivered with digital electronic equipment or with a part for the equipment to operate equipment. Embedded software includes all relevant patches and fixes made by the manufacturer of the equipment or part for these purposes.

(f) "Fair and reasonable terms" for obtaining a part, tool, or documentation means at costs and terms, including convenience of delivery and rights of use, equivalent to what is offered by the original equipment manufacturer to an authorized repair provider, using the net costs that would be incurred by an authorized repair provider to obtain an equivalent part, tool, or documentation from the original equipment manufacturer, accounting for any discounts, rebates, or other incentive programs in arriving at the actual net costs. For documentation, including any relevant updates, fair and reasonable terms means at no charge, except that when the documentation is requested in physical printed form a fee for the reasonable actual costs to prepare and send the copy may be charged.

(g) "Firmware" means a software program or set of instructions programmed on digital electronic equipment or on a part for the equipment to allow the equipment or part to communicate with other computer hardware.

(h) "Independent repair provider" means an individual or business operating in Minnesota that (1) does not have an arrangement described in paragraph (b) with an original equipment manufacturer, (2) is not affiliated with any individual or business that has an arrangement described in paragraph (b), and (3) is engaged in the services of diagnosis, maintenance, or repair of digital electronic equipment. An original equipment manufacturer or, with respect to the original equipment manufacturer, an individual or business that has an arrangement with the original equipment manufacturer or is affiliated with an individual or business that has such an arrangement with that original equipment manufacturer is considered an independent repair provider for purposes of the instances it engages in the services of diagnosis, maintenance, or repair of digital electronic equipment that is not manufactured by or sold under the name of the original equipment manufacturer.

(i) "Manufacturer of motor vehicle equipment" means a business engaged in the business of manufacturing or supplying components used to manufacture, maintain, or repair a motor vehicle.

(j) "Motor vehicle" means a vehicle that is designed to transport persons or property on a street or highway and is certified by the manufacturer under all applicable federal safety and emissions standards and requirements for distribution and sale in the United States. Motor vehicle does not include:

(1) a motorcycle; or

(2) a recreational vehicle or an auto home equipped for habitation.

(k) "Motor vehicle dealer" means an individual or business that, in the ordinary course of business, (1) is engaged in the business of selling or leasing new motor vehicles to an individual or business pursuant to a franchise agreement, (2) has obtained a license under section 168.27, and (3) is engaged in the services of diagnosis, maintenance, or repair of motor vehicles or motor vehicle engines pursuant to the franchise agreement.

(l) "Motor vehicle manufacturer" means a business engaged in the business of manufacturing or assembling new motor vehicles.

(m) "Original equipment manufacturer" means a business engaged in the business of selling or leasing to any individual or business new digital electronic equipment manufactured by or on behalf of the original equipment manufacturer.

(n) "Owner" means an individual or business that owns or leases digital electronic equipment purchased or used in Minnesota.

(o) "Part" means any replacement part, either new or used, made available by an original equipment manufacturer to affect the services of maintenance or repair of digital electronic equipment manufactured or sold by the original equipment manufacturer.

(p) "Trade secret" has the meaning given in section 325C.01, subdivision 5.

Subd. 3. **Requirements.** (a) For digital electronic equipment and parts for the equipment sold or used in Minnesota, an original equipment manufacturer must make available on fair and reasonable terms documentation, parts, and tools, inclusive of any updates to information or embedded software, to any independent repair provider or to the owner of digital electronic equipment manufactured by or on behalf of, or sold by, the original equipment manufacturer for purposes of diagnosis, maintenance, or repair. Nothing in this section requires an original equipment manufacturer to make available a part if the part is no longer available to the original equipment manufacturer.

(b) For equipment that contains an electronic security lock or other security-related function, the original equipment manufacturer must make available to the owner and to independent repair providers, on fair and reasonable terms, any special documentation, tools, and parts needed to reset the lock or function when disabled in the course of diagnosis, maintenance, or repair of the equipment. Documentation, tools, and parts may be made available through appropriate secure release systems.

Subd. 4. **Enforcement by attorney general.** A violation of this section is an unlawful practice under section 325D.44. All remedies, penalties, and authority granted to the attorney general under chapter 8 are available to the attorney general to enforce this section.

Subd. 5. **Limitations.** (a) Nothing in this section requires an original equipment manufacturer to divulge a trade secret to an owner or an independent service provider, except as necessary to provide documentation, parts, and tools on fair and reasonable terms.

(b) Nothing in this section alters the terms of any arrangement described in subdivision 2, paragraph (b), in force between an authorized repair provider and an original equipment manufacturer, including but not limited to the performance or provision of warranty or recall repair work by an authorized repair provider on behalf of an original equipment manufacturer pursuant to such arrangement. A provision in the terms of an arrangement described in subdivision 2, paragraph (b), that purports to waive, avoid, restrict, or limit the original equipment manufacturer's obligations to comply with this section is void and unenforceable.

(c) Nothing in this section requires an original equipment manufacturer or an authorized repair provider to provide to an owner or independent repair provider access to information, other than documentation, that is provided by the original equipment manufacturer to an authorized repair provider pursuant to the terms of an arrangement described in subdivision 2, paragraph (b).

Subd. 6. **Exclusions.** (a) Nothing in this section applies to (1) a motor vehicle manufacturer, manufacturer of motor vehicle equipment, or motor vehicle dealer acting in that capacity, or (2) any product or service of a motor vehicle manufacturer, manufacturer of motor vehicle equipment, or motor vehicle dealer acting in that capacity.

(b) Nothing in this section applies to manufacturers or distributors of a medical device as defined in the Federal Food, Drug, and Cosmetic Act, United States Code, title 21, section 301 et seq., or a digital electronic product or software manufactured for use in a medical setting including diagnostic, monitoring, or control equipment or any product or service that they offer.

Subd. 7. **Applicability.** This section applies to equipment sold or in use on or after January 1, 2023.

EFFECTIVE DATE. This section is effective January 1, 2023.

Sec. 9. Minnesota Statutes 2020, section 357.17, is amended to read:

357.17 NOTARIES PUBLIC.

(a) The maximum fees to be charged and collected by a notary public shall be as follows:

(1) for protest of nonpayment of note or bill of exchange or of nonacceptance of such bill; where protest is legally necessary, and copy thereof, \$5;

(2) for every other protest and copy, \$5;

(3) for making and serving every notice of nonpayment of note or nonacceptance of bill and copy thereof, \$5;

(4) for any affidavit or paper for which provision is not made herein, \$5 per folio, and \$1 per folio for copies;

(5) for each oath administered, \$5;

(6) for acknowledgments of deeds and for other services authorized by law, the legal fees allowed other officers for like services;

(7) for recording each instrument required by law to be recorded by the notary, \$5 per folio.

(b) A notary public may charge a fee for performing a marriage in excess of the fees in paragraph (a) if the notary is commissioned pursuant to chapter 359.

Sec. 10. Minnesota Statutes 2020, section 359.04, is amended to read:

359.04 POWERS.

Every notary public so appointed, commissioned, and qualified shall have power throughout this state to administer all oaths required or authorized to be administered in this state; to take and certify all depositions to be used in any of the courts of this state; to take and certify all acknowledgments of deeds, mortgages, liens, powers of attorney, and other instruments in writing or electronic records; to receive, make out, and record notarial protests; to perform civil marriages consistent with this chapter and chapter 517; and to perform online remote notarial acts in compliance with the requirements of sections 358.645 and 358.646.

Sec. 11. **[359.115] CIVIL MARRIAGE OFFICIANT.**

A notary public shall have the power to solemnize civil marriages throughout the state if the notary public has filed a copy of the notary public's notary commission with the local registrar of a county in this state. When a local registrar records a commission for a notary public, the local registrar shall provide a certificate of filing to the notary whose commission is recorded. A notary public shall endorse and record the county where the notary public's commission is recorded upon each certificate of civil marriage granted by the notary.

Sec. 12. Minnesota Statutes 2020, section 517.04, is amended to read:

517.04 PERSONS AUTHORIZED TO PERFORM CIVIL MARRIAGES.

Civil marriages may be solemnized throughout the state by an individual who has attained the age of 21 years and is a judge of a court of record, a retired judge of a court of record, a court administrator, a retired court administrator with the approval of the chief judge of the judicial district, a former court commissioner who is employed by the court system or is acting pursuant to an order of the chief judge of the commissioner's judicial district, a notary commissioned pursuant to chapter 359, the residential school superintendent of the Minnesota State Academy for the Deaf and the Minnesota State Academy for the Blind, a licensed or ordained minister of any religious denomination, or by any mode recognized in section 517.18. For purposes of this section, a court of record includes the Office of Administrative Hearings under section 14.48.

Sec. 13. Minnesota Statutes 2020, section 517.08, subdivision 1b, is amended to read:

Subd. 1b. **Term of license; fee; premarital education.** (a) The local registrar shall examine upon oath the parties applying for a license relative to the legality of the contemplated civil marriage. Examination upon oath of the parties under this section may include contemporaneous video or audio transmission or receipt of a verified statement signed by both parties attesting to the legality of the marriage. The local registrar may accept civil marriage license applications, signed by both parties, by mail, facsimile, or electronic filing. Both parties must present proof of age to the local registrar. ~~If one party is unable to appear in person, the party appearing may complete the absent applicant's information. The local registrar shall provide a copy of the civil marriage application to the party who is unable to appear, who must verify the accuracy of the appearing party's information in a notarized statement. The verification statement must be accompanied by a copy of proof of age of the party.~~ The civil marriage license must not be released until ~~the verification statement and~~ proof of age has been received by the local registrar. If the local registrar is satisfied that there is no legal impediment to it, including the restriction contained in section 259.13, the local registrar shall issue the license, containing the full names of the parties before and after the civil marriage, and county and state of residence, with the county seal attached, and make a record of the date of issuance. The license shall be valid for a period of six months. Except as provided in paragraph (b), the local registrar shall collect from the applicant a fee of \$115 for administering the oath, issuing, recording, and filing all papers required, and preparing and transmitting to the state registrar of vital records the reports of civil marriage

required by this section. If the license should not be used within the period of six months due to illness or other extenuating circumstances, it may be surrendered to the local registrar for cancellation, and in that case a new license shall issue upon request of the parties of the original license without fee. A local registrar who knowingly issues or signs a civil marriage license in any manner other than as provided in this section shall pay to the parties aggrieved an amount not to exceed \$1,000.

(b) The civil marriage license fee for parties who have completed at least 12 hours of premarital education is \$40. In order to qualify for the reduced license fee, the parties must submit at the time of applying for the civil marriage license a statement that is signed, dated, and notarized or marked with a church seal from the person who provided the premarital education on their letterhead confirming that it was received. The premarital education must be provided by a licensed or ordained minister or the minister's designee, a person authorized to solemnize civil marriages under section 517.18, or a person authorized to practice marriage and family therapy under section 148B.33. The education must include the use of a premarital inventory and the teaching of communication and conflict management skills.

(c) The statement from the person who provided the premarital education under paragraph (b) must be in the following form:

"I, (name of educator), confirm that (names of both parties) received at least 12 hours of premarital education that included the use of a premarital inventory and the teaching of communication and conflict management skills. I am a licensed or ordained minister, a person authorized to solemnize civil marriages under Minnesota Statutes, section 517.18, or a person licensed to practice marriage and family therapy under Minnesota Statutes, section 148B.33."

The names of the parties in the educator's statement must be identical to the legal names of the parties as they appear in the civil marriage license application. Notwithstanding section 138.17, the educator's statement must be retained for seven years, after which time it may be destroyed.

(d) If section 259.13 applies to the request for a civil marriage license, the local registrar shall grant the civil marriage license without the requested name change. Alternatively, the local registrar may delay the granting of the civil marriage license until the party with the conviction:

(1) certifies under oath that 30 days have passed since service of the notice for a name change upon the prosecuting authority and, if applicable, the attorney general and no objection has been filed under section 259.13; or

(2) provides a certified copy of the court order granting it. The parties seeking the civil marriage license shall have the right to choose to have the license granted without the name change or to delay its granting pending further action on the name change request.

EFFECTIVE DATE. This section is effective retroactively from January 1, 2021.

Sec. 14. Minnesota Statutes 2020, section 604.21, is amended to read:

604.21 INDEMNITY AGREEMENTS IN DESIGN PROFESSIONAL SERVICES CONTRACTS VOID.

(a) A provision contained in, or executed in connection with, a design professional services contract is void and unenforceable to the extent it attempts to require an indemnitor to indemnify, to hold harmless, or to defend an indemnitee from or against liability for loss or damage resulting from the negligence or fault of anyone other than the indemnitor or others for whom the indemnitor is legally liable.

(b) For purposes of this section, "design professional services contract" means a contract under which some portion of the work or services is to be performed or supervised by a person licensed under section 326.02, and is furnished in connection with any actual or proposed maintenance of or improvement to real property, highways, roads, or bridges.

(c) This section does not apply to the extent that the obligation to indemnify, to hold harmless, or to defend an indemnitee is ~~able to be~~ covered by insurance.

(d) This section does not apply to agreements referred to in section 337.03 or 337.04.

(e) A provision contained in, or executed in connection with, a design professional services contract for any actual or proposed maintenance of, or improvement to, real property, highways, roads, or bridges located in Minnesota that makes the contract subject to the laws of another state or requires that any litigation, arbitration, or other dispute resolution process on the contract occur in another state is void and unenforceable.

(f) This section supersedes any other inconsistent provision of law.

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

Sec. 15. Minnesota Statutes 2021 Supplement, section 609.5314, subdivision 3, is amended to read:

Subd. 3. **Judicial determination.** (a) Within 60 days following service of a notice of seizure and forfeiture under this section, a claimant may file a demand for a judicial determination of the forfeiture. The demand must be in the form of a civil complaint and must be filed with the court administrator in the county in which the seizure occurred, together with proof of service of a copy of the complaint on the prosecuting authority for that county. The claimant may serve the complaint on the prosecuting authority by certified mail or any means permitted by court rules. If the value of the seized property is \$15,000 or less, the claimant may file an action in conciliation court for recovery of the seized property. A copy of the conciliation court statement of claim may be served personally or as permitted by the Rules of Conciliation Court Procedure on the prosecuting authority having jurisdiction over the forfeiture within 60 days following service of the notice of seizure and forfeiture under this subdivision. The claimant does not have to pay the court filing fee. No responsive pleading is required of the prosecuting authority and no court fees may be charged for the prosecuting authority's appearance in the matter. The district court administrator shall schedule the hearing as soon as practicable after, and in any event no later than 90 days following, the conclusion of the criminal prosecution. The proceedings are governed by the Rules of Civil Procedure and, where applicable, by the Rules of Conciliation Court Procedure.

(b) The complaint must be captioned in the name of the claimant as plaintiff and the seized property as defendant, and must state with specificity the grounds on which the claimant alleges the property was improperly seized and the plaintiff's interest in the property seized. Notwithstanding any law to the contrary, an action for the return of property seized under this section may not be maintained by or on behalf of any person who has been served with a notice of seizure and forfeiture unless the person has complied with this subdivision.

(c) If the claimant makes a timely demand for judicial determination under this subdivision, the appropriate agency must conduct the forfeiture under section 609.531, subdivision 6a. The limitations and defenses set forth in section 609.5311, subdivision 3, apply to the judicial determination.

(d) If a demand for judicial determination of an administrative forfeiture is filed under this subdivision and the court orders the return of the seized property, the court may order sanctions under section 549.211. If the court orders payment of these costs, they must be paid from forfeited money or proceeds from the sale of forfeited property from the appropriate law enforcement and prosecuting agencies in the same proportion as they would be distributed under section 609.5315, subdivision 5.

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

Sec. 16. Minnesota Statutes 2020, section 609.748, subdivision 2, is amended to read:

Subd. 2. **Restraining order; court jurisdiction.** (a) A person who is a victim of harassment or the victim's guardian or conservator may seek a restraining order from the district court in the manner provided in this section.

(b) The parent, guardian or conservator, or stepparent of a minor who is a victim of harassment may seek a restraining order from the district court on behalf of the minor.

(c) A minor may seek a restraining order if the minor demonstrates that the minor is emancipated and the court finds that the order is in the best interests of the emancipated minor. A minor demonstrates the minor is emancipated by a showing that the minor is living separate and apart from parents and managing the minor's own financial affairs, and shows, through an instrument in writing or other agreement, or by the conduct of the parties that all parents who have a legal parent and child relationship with the minor have relinquished control and authority over the minor.

(d) An application for relief under this section may be filed in the county of residence of either party or in the county in which the alleged harassment occurred. There are no residency requirements that apply to a petition for a harassment restraining order.

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

Delete the title and insert:

"A bill for an act relating to state government; modifying various data practices, human rights, and civil law provisions; classifying data; adopting the Uniform Registration of Canadian Money Judgments Act; imposing penalties; amending Minnesota Statutes 2020, sections 5B.02; 5B.05; 5B.10, subdivision 1; 13.045, subdivisions 1, 2, 3, 4a; 13.32, subdivisions 1, 3, 5, by adding subdivisions; 84.775, subdivisions 1, 4; 259.11; 260C.101, subdivision 2; 357.17; 359.04; 363A.03, by adding a subdivision; 363A.08, by adding a subdivision; 363A.11, subdivision 2; 363A.21, subdivision 1; 517.04; 517.08, subdivision 1b; 604.21; 609.748, subdivision 2; 626A.35, by adding a subdivision; Minnesota Statutes 2021 Supplement, sections 169A.63, subdivision 8; 299C.72, subdivision 2; 363A.50; 609.5314, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 13; 259; 260C; 325E; 359; 548; repealing Minnesota Statutes 2020, sections 363A.20, subdivision 3; 363A.27."

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Moran from the Committee on Ways and Means to which was referred:

H. F. No. 1888, A bill for an act relating to health; providing for registration of transfer care specialists; authorizing a transfer care specialist to remove a dead human body from the place of death; providing for refrigeration of dead human bodies for certain time periods; amending Minnesota Statutes 2020, sections 149A.01, subdivisions 2, 3; 149A.02, subdivision 13a, by adding subdivisions; 149A.03; 149A.09; 149A.11; 149A.60; 149A.61, subdivisions 4, 5; 149A.62; 149A.63; 149A.65, subdivision 2; 149A.70, subdivisions 3, 4, 5, 7; 149A.90, subdivisions 2, 4, 5; 149A.94, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 149A.

Reported the same back with the following amendments:

Page 9, line 15, delete "\$....." and insert "\$1,170"

Page 13, after line 24, insert:

"Sec. 25. **APPROPRIATION.**

\$219,000 in fiscal year 2023 is appropriated from the state government special revenue fund to the commissioner of health for the regulation of transfer care specialists under Minnesota Statutes, chapter 149A, and for additional reporting requirements under Minnesota Statutes, section 149A.94. The state government special revenue fund base for this appropriation is \$132,000 in fiscal year 2024 and \$61,000 in fiscal year 2025."

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "appropriating money;"

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Becker-Finn from the Committee on Judiciary Finance and Civil Law to which was referred:

H. F. No. 2725, A bill for an act relating to judiciary; establishing a statutory procedure to assess the competency of a defendant to stand trial; providing for contested hearings; establishing continuing supervision for certain defendants found incompetent to stand trial; establishing requirements to restore certain defendants to competency; providing for jail-based competency restoration programs; establishing forensic navigators; requiring forensic navigators to provide services to certain defendants; establishing dismissal plans for certain defendants found incompetent to stand trial; establishing a planning and implementation committee; appropriating money; amending Minnesota Statutes 2020, sections 253B.07, subdivision 2a; 253B.10, subdivision 1; 480.182; proposing coding for new law in Minnesota Statutes, chapter 611.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1
COMPETENCY TO STAND TRIAL

Section 1. **[611.40] APPLICABILITY.**

Notwithstanding Rules of Criminal Procedure, rule 20.01, sections 611.40 to 611.59 shall govern the proceedings for adults when competency to stand trial is at issue. This section does not apply to juvenile courts. A competency examination ordered under Rules of Criminal Procedure, rule 20.04, must follow the procedure in section 611.43.

Sec. 2. **[611.41] DEFINITIONS.**

Subdivision 1. **Definitions.** For the purposes of sections 611.40 to 611.58, the following terms have the meanings given.

Subd. 2. **Alternative program.** "Alternative program" means any mental health or substance use disorder treatment or program that is not a certified competency restoration program but may assist a defendant in attaining competency.

Subd. 3. **Cognitive impairment.** "Cognitive impairment" means a condition that impairs a person's memory, perception, communication, learning, or other ability to think. Cognitive impairment may be caused by any factor including traumatic, developmental, acquired, infectious, and degenerative processes.

Subd. 4. **Community-based treatment program.** "Community-based treatment program" means treatment and services provided at the community level, including but not limited to community support services programs as defined in section 245.462, subdivision 6; day treatment services as defined in section 245.462, subdivision 8; mental health crisis services as defined in section 245.462, subdivision 14c; outpatient services as defined in section 245.462, subdivision 21; residential treatment services as defined in section 245.462, subdivision 23; assertive community treatment services provided under section 256B.0622; adult rehabilitation mental health services provided under section 256B.0623; home and community-based waivers; and supportive housing. Community-based treatment program does not include services provided by a state-operated treatment program.

Subd. 5. **Competency restoration program.** "Competency restoration program" means a structured program of clinical and educational services that is certified and designed to identify and address barriers to a defendant's ability to understand the criminal proceedings, consult with counsel, and participate in the defense.

Subd. 6. **Court examiner.** "Court examiner" means a person appointed to serve the court, and who is a physician or licensed psychologist who has a doctoral degree in psychology.

Subd. 7. **Defendant with recurring incidents.** "Defendant with recurring incidents" means an individual who has been charged by citation or complaint with ten or more misdemeanor offenses within an eight-month period.

Subd. 8. **Forensic navigator.** "Forensic navigator" means a person who meets the certification and continuing education requirements under section 611.55, subdivision 4, and provides the services under section 611.55, subdivision 2.

Subd. 9. **Head of the program.** "Head of the program" means the head of the competency restoration program or the head of the community-based treatment program, treatment facility, or state-operated treatment program.

Subd. 10. **Jail-based program.** "Jail-based program" means a competency restoration program that operates within a correctional facility that meets the capacity standards governing jail facilities and is licensed by the commissioner of corrections under section 241.021.

Subd. 11. **Locked treatment facility.** "Locked treatment facility" means a community-based treatment program, treatment facility, or state-operated treatment program that is locked and is licensed by the Department of Health or Department of Human Services.

Subd. 12. **Mental illness.** "Mental illness" means an organic disorder of the brain or a clinically significant disorder of thought, mood, perception, orientation, memory, or behavior that is detailed in a diagnostic codes list published by the commissioner of human services, and that seriously limits a person's capacity to function in primary aspects of daily living such as personal relations, living arrangements, work, and recreation.

Subd. 13. **State-operated treatment program.** "State-operated treatment program" means any state-operated program, including community behavioral health hospitals, crisis centers, residential facilities, outpatient services, and other community-based services developed and operated by the state and under the control of the commissioner of human services, for a person who has a mental illness, developmental disability, or chemical dependency.

Subd. 14. **Supervisory agency.** "Supervisory agency" means the entity responsible for supervising adults in a county, including the Department of Corrections, county probation officers, or a community corrections agency in a Community Corrections Act county, or the designee of that entity.

Subd. 15. **Suspend the criminal proceedings.** "Suspend the criminal proceedings" means nothing can be heard or decided on the merits of the criminal charges except that the court retains jurisdiction in all other matters, including but not limited to bail, conditions of release, probation conditions, no contact orders, and appointment of counsel.

Subd. 16. **Targeted misdemeanor.** "Targeted misdemeanor" has the meaning given in section 299C.10, subdivision 1, paragraph (e).

Subd. 17. **Treatment facility.** "Treatment facility" means a non-state-operated hospital, residential treatment provider, crisis residential withdrawal management center, or corporate foster care home qualified to provide care and treatment for persons who have a mental illness, developmental disability, or chemical dependency.

Sec. 3. **[611.42] COMPETENCY MOTION PROCEDURES.**

Subdivision 1. **Competency to stand trial.** A defendant is incompetent and shall not plead, be tried, or be sentenced if, due to a mental illness or cognitive impairment, the defendant lacks the ability to:

- (1) rationally consult with counsel;
- (2) understand the proceedings; or
- (3) participate in the defense.

Subd. 2. **Waiver of counsel in competency proceedings.** (a) A defendant must not be allowed to waive counsel if the defendant lacks ability to:

- (1) knowingly, voluntarily, and intelligently waive the right to counsel;
- (2) appreciate the consequences of proceeding without counsel;
- (3) comprehend the nature of the charge;
- (4) comprehend the nature of the proceedings;
- (5) comprehend the possible punishment; or
- (6) comprehend any other matters essential to understanding the case.

(b) The court must not proceed under this law before a lawyer consults with the defendant and has an opportunity to be heard.

Subd. 3. **Competency motion.** (a) At any time, the prosecutor or defense counsel may make a motion challenging the defendant's competency, or the court on its initiative may raise the issue. The defendant's consent is not required to bring a competency motion. The motion shall be supported by specific facts but shall not include communications between the defendant and defense counsel if disclosure would violate attorney-client privilege. By bringing the motion, the defendant does not waive attorney-client privilege.

(b) If competency is at issue, the court shall appoint a forensic navigator to provide the forensic navigator services described in section 611.55 for the defendant, including development of a specific plan to identify appropriate housing and services if the defendant is released from custody or any charges are dismissed.

(c) In felony, gross misdemeanor, and targeted misdemeanor cases, if the court determines there is a reasonable basis to doubt the defendant's competence and there is probable cause for the charge, the court must suspend the criminal proceedings and order an examination of the defendant under section 611.43.

(d) In misdemeanor cases, other than cases involving a targeted misdemeanor, if the court determines there is a reasonable basis to doubt the defendant's competence and there is probable cause for the charge, the court must suspend the criminal proceedings and either order an examination of the defendant under section 611.43 or dismiss the case as provided in paragraph (e). The court shall dismiss a case unless dismissal would be contrary to public interest. For purposes of this paragraph, public interest includes determining whether a defendant has the ability to access housing, food, income, disability verification, medications, and treatment for medical conditions, or otherwise address any basic needs.

(e) If the court indicates an intent to dismiss a misdemeanor charge, the court shall direct the forensic examiner to complete a dismissal plan as described in section 611.55, subdivision 3. The court may dismiss the charge upon receipt of the dismissal plan without holding a hearing unless any party objects. The court must order that the dismissal plan be completed and submitted:

(1) within 48 hours, excluding weekends and holidays, if the defendant is in custody; or

(2) within ten days if the defendant is not in custody.

(f) If competency is at issue, the court may appoint advisory counsel under Rules of Criminal Procedure, rule 5, for an unrepresented defendant for the proceedings under this section.

Subd. 4. Dismissal, referrals for services, and collaboration. (a) Except as provided in this subdivision, when the court determines there is a reasonable basis to doubt the defendant's competence and orders an examination of the defendant, a forensic navigator must complete a dismissal plan with the defendant as described in section 611.55, subdivision 3, submit the dismissal plan to the court, and provide a written copy to the defendant before the court or prosecutor dismisses any charges based on a belief or finding that the defendant is incompetent.

(b) If for any reason a forensic navigator has not been appointed, the court must make every reasonable effort to coordinate with any resources available to the court and refer the defendant for possible assessment and social services, including but not limited to services for engagement under section 253B.041, before dismissing any charges based on a finding that the defendant is incompetent.

(c) If working with the forensic navigator or coordinating a referral to services would cause an unreasonable delay in the release of a defendant being held in custody, the court may dismiss the charges and release the defendant. If a defendant has not been engaged for assessment and referral before release, the court may coordinate with the forensic navigator or any resources available to the court to engage the defendant for up to 90 days after release.

(d) Courts may partner and collaborate with county social services, community-based treatment programs, locked treatment facilities, state-operated treatment programs, treatment facilities, jails, and any other resource available to the court to provide referrals to services when a defendant's competency is at issue or a defendant has been found incompetent to stand trial.

Sec. 4. **[611.43] COMPETENCY EXAMINATION AND REPORT.**

Subdivision 1. **Competency examination.** (a) If the court orders an examination pursuant to section 611.42, subdivision 3, the court shall appoint a court examiner to examine the defendant and report to the court on the defendant's competency to stand trial. A court examiner may obtain from court administration and review the report of any prior or subsequent examination under this section or under Rules of Criminal Procedure, rule 20.

(b) If the defendant is not entitled to release, the court shall order the defendant to participate in an examination where the defendant is being held, or the court may order that the defendant be confined in a treatment facility, locked treatment facility, or a state-operated treatment facility until the examination is completed.

(c) If the defendant is entitled to release, the court shall order the defendant to appear for an examination. If the defendant fails to appear at an examination, the court may amend the conditions of release.

(d) A competency examination ordered under Rules of Criminal Procedure, rule 20.04, shall proceed under subdivision 2.

Subd. 2. **Report of examination.** (a) The court-appointed examiner's written report shall be filed with the court and served on the prosecutor and defense counsel by the court. The report shall be filed no more than 30 days after the order for examination of a defendant in custody. If the defendant is out of custody or confined in a noncorrectional program or treatment facility, the report shall be filed no more than 60 days after the order for examination, unless extended by the court for good cause. The report shall not include opinions concerning the defendant's mental condition at the time of the alleged offense or any statements made by the defendant regarding the alleged criminal conduct, unless necessary to support the examiner's opinion regarding competence or incompetence.

(b) The report shall include an evaluation of the defendant's mental health, cognition, and the factual basis for opinions about:

(1) any diagnoses made, and the results of any testing conducted with the defendant;

(2) the defendant's competency to stand trial;

(3) the level of care and education required for the defendant to attain, be restored to, or maintain competency;

(4) a recommendation of the least restrictive setting appropriate to meet the defendant's needs for restoration and immediate safety;

(5) the impact of any substance use disorder on the defendant, including the defendant's competency, and any recommendations for treatment;

(6) the likelihood the defendant will attain competency in the reasonably foreseeable future;

(7) whether the defendant poses a substantial likelihood of physical harm to self or others; and

(8) whether the defendant poses a substantial risk to public safety.

(c) If the court examiner determines that the defendant presents an imminent risk of serious danger to another, is imminently suicidal, or otherwise needs emergency intervention, the examiner must promptly notify the court, prosecutor, defense counsel, and those responsible for the care and custody of the defendant.

(d) If the court examiner's opinion is that the defendant is incompetent to proceed, the report must include an opinion as to whether the defendant possesses capacity to make decisions regarding neuroleptic medication unless the examiner is unable to render an opinion on capacity. If the examiner is unable to render an opinion on capacity, the report must document the reasons why the examiner is unable to render that opinion.

(e) If the defendant appears for the examination but does not participate, the court examiner shall submit a report and, if sufficient information is available, may render an opinion on competency and an opinion as to whether the unwillingness to participate resulted from a mental illness, cognitive impairment, or other factors.

(f) If the court examiner determines the defendant would benefit from services for engagement in mental health treatment under section 253B.041 or any other referral to social services, the court examiner may recommend referral of the defendant to services where available.

Subd. 3. **Additional examination.** If either the prosecutor or defense counsel intends to retain an independent examiner, the party shall provide notice to the court and opposing counsel no later than ten days after the date of receipt of the court-appointed examiner's report. If an independent examiner is retained, the independent examiner's report shall be filed no more than 30 days after the date a party files notice of intent to retain an independent examiner, unless extended by the court for good cause.

Subd. 4. **Admissibility of defendant's statements.** When a defendant is examined under this section, any statement made by the defendant for the purpose of the examination and any evidence derived from the examination is admissible at the competency proceedings, but not in the criminal proceedings.

Sec. 5. **[611.44] CONTESTED HEARING PROCEDURES.**

Subdivision 1. **Request for hearing.** (a) The prosecutor or defense counsel may request a hearing on the court-appointed examiner's competency report by filing a written objection no later than ten days after the report is filed.

(b) A hearing shall be held as soon as possible but no longer than 30 days after the request, unless extended by agreement of the prosecutor and defense counsel, or by the court for good cause.

(c) If an independent court examiner is retained, the hearing may be continued up to 14 days after the date the independent court examiner's report is filed. The court may continue the hearing for good cause.

Subd. 2. **Competency hearing.** (a) The court may admit all relevant and reliable evidence at the competency hearing. The court-appointed examiner is considered the court's witness and may be called and questioned by the court, prosecutor, or defense counsel. The report of the court-appointed examiner shall be admitted into evidence without further foundation.

(b) Defense counsel may testify, subject to the prosecutor's cross-examination, but shall not violate attorney-client privilege. Testifying does not automatically disqualify defense counsel from continuing to represent the defendant. The court may inquire of defense counsel regarding the attorney-client relationship and the defendant's ability to communicate with counsel. The court shall not require counsel to divulge communications protected by attorney-client privilege, and the prosecutor shall not cross-examine defense counsel concerning responses to the court's inquiry.

Subd. 3. **Determination without hearing.** If neither party files an objection, the court shall determine the defendant's competency based on the reports of all examiners.

Subd. 4. **Burden of proof and decision.** The defendant is presumed incompetent unless the court finds by a preponderance of the evidence that the defendant is competent.

Sec. 6. **[611.45] COMPETENCY FINDINGS.**

Subdivision 1. Findings. (a) The court must rule on the defendant's competency to stand trial no more than 14 days after the examiner's report is submitted to the court. If there is a contested hearing, the court must rule no more than 30 days after the date of the hearing.

(b) If the court finds the defendant competent, the court shall enter an order and the criminal proceedings shall resume.

(c) If the court finds the defendant incompetent, the court shall enter a written order and suspend the criminal proceedings. The matter shall proceed under section 611.46.

Subd. 2. Appeal. The defense may appeal a competency determination to the court of appeals. The appeal is governed by Rules of Criminal Procedure, rule 28. A verbatim record shall be made in all competency proceedings.

Subd. 3. Dismissal of criminal charge. (a) If the court finds the defendant incompetent, and the charge is a misdemeanor other than a targeted misdemeanor, the charge must be dismissed.

(b) In targeted misdemeanor and gross misdemeanor cases, the charges must be dismissed 30 days after the date of the finding of incompetence, unless the prosecutor, before the expiration of the 30-day period, files a written notice of intent to prosecute when the defendant regains competency. If a notice has been filed and the charge is a targeted misdemeanor, charges must be dismissed within 90 days after the finding of incompetency or when the defendant would be entitled to custody credit of 90 days, whichever is earlier. If a notice has been filed and the charge is a gross misdemeanor, charges must be dismissed within two years after the finding of incompetency or when the defendant would be entitled to custody credit of one year, whichever is earlier.

(c) In felony cases, except as provided in paragraph (d), the charges must be dismissed three years after the date of the finding of incompetency, unless the prosecutor, before the expiration of the three-year period, files a written notice of intent to prosecute when the defendant regains competency. If a notice has been filed, charges must be dismissed within five years after the finding of incompetency or when the defendant would be entitled to custody credit equal to the maximum sentence for the crime with which the defendant is charged, whichever is earlier.

(d) The requirement that felony charges be dismissed under paragraph (c) does not apply if:

(1) the court orders continuing supervision pursuant to section 611.49, subdivision 3; or

(2) the defendant is charged with a violation of sections 609.185 (murder in the first degree); 609.19 (murder in the second degree); 609.195 (murder in the third degree); 609.20 (manslaughter in the first degree); 609.205 (manslaughter in the second degree); 609.2112 (criminal vehicular homicide); 609.2114, subdivision 1 (criminal vehicular operation, death to an unborn child); 609.2661 (murder of an unborn child in the first degree); 609.2662 (murder of an unborn child in the second degree); 609.2663 (murder of an unborn child in the third degree); 609.2664 (manslaughter of an unborn child in the first degree); or 609.2665 (manslaughter of an unborn child in the second degree).

Sec. 7. **[611.46] INCOMPETENT TO STAND TRIAL AND CONTINUING SUPERVISION.**

Subdivision 1. Order to competency restoration. (a) If the court finds the defendant incompetent and the charges have not been dismissed, the court shall order the defendant to participate in a program to restore the defendant's competence. The court may order participation in a competency restoration program provided outside of a jail, a jail-based competency restoration program, or an alternative program. The court must determine the least-restrictive program appropriate to meet the defendant's needs and public safety. In making this determination, the court must consult with the forensic navigator and consider any recommendations of the court examiner on the level of care and education required for the defendant to attain competency.

(b) The court shall order the defendant to participate in a competency restoration program that takes place outside of a jail unless such a program is unavailable or inaccessible to the defendant within a reasonable time. If a competency restoration program that takes place outside of a jail is unavailable or inaccessible, the court shall order the defendant to participate in either a jail-based program or an alternative program as provided in subdivisions 4 and 5.

(c) The court may only order the defendant to participate in competency restoration at a community-based treatment program, locked treatment facility, or treatment facility under this section if the head of the program determines that admission is clinically appropriate and consents to the defendant's admission. The court may only order the defendant to participate in competency restoration at a state-operated treatment program under this section if the commissioner of human services or a designee determines that admission of the defendant is clinically appropriate and consents to the defendant's admission.

(d) If the defendant is confined in jail and has not received competency restoration services within 30 days of the finding of incompetency, the court shall review the case with input from the prosecutor and defense counsel and must:

(1) dismiss the case;

(2) order the defendant to participate in an appropriate competency restoration program that takes place outside of a jail;

(3) conditionally release the defendant, including but not limited to conditions that the defendant participate in a competency restoration program when one becomes available and accessible; or

(4) find the defendant unlikely to attain competency in the reasonably foreseeable future and proceed under section 611.49.

(e) Upon the order to a competency restoration program or alternative program, the court may order any hospital, treatment facility, or correctional facility that has provided care or supervision to the defendant in the previous two years to provide copies of the defendant's medical records to the competency restoration program or alternative program. This information shall be provided in a consistent and timely manner and pursuant to all applicable laws.

(f) If at any time the defendant refuses to participate in a competency restoration program or an alternative program, the head of the program shall notify the court and any entity responsible for supervision of the defendant.

(g) At any time, the head of the program may discharge the defendant from the program or facility. The head of the program must notify the court, prosecutor, defense counsel, and any entity responsible for the supervision of the defendant prior to any planned discharge. Whenever possible, this notification shall be made five business days prior to the discharge.

Subd. 2. Supervision. (a) Upon a finding of incompetency, if the defendant is entitled to release, the court must determine whether the defendant requires pretrial supervision. The court must weigh public safety risks against the defendant's interests in remaining free from supervision while presumed innocent in the criminal proceedings. The court may use a validated and equitable risk assessment tool to determine whether supervision is necessary.

(b) If the court determines that the defendant requires pretrial supervision, the court shall appoint a supervisory agency to conduct pretrial supervision and report violations to the court. The supervisory agency shall be responsible for the supervision of the defendant until ordered otherwise by the court.

(c) Upon application by the prosecutor, the entity or its designee assigned to supervise the defendant, or court services alleging that the defendant violated a condition of release and is a risk to public safety, the court shall follow the procedures under Rules of Criminal Procedure, rule 6. Any hearing on the alleged violation of release conditions shall be held no more than 15 days after the date of issuance of a summons or within 72 hours if the defendant is apprehended on a warrant.

(d) If the court finds a violation, the court may revise the conditions of release. In addition to the considerations required by the Rules of Criminal Procedure, when determining the conditions of release, the court must consider whether a condition is likely to result in the pretrial detention of the defendant and whether it is more probable than not that the detention will interfere with the defendant attaining competency. The court shall impose the least restrictive conditions of release and bail that will provide ongoing access to a competency restoration program or alternative program under this section.

(e) The court must review conditions of release and bail on request of any party and may amend the conditions of release or make any other reasonable order upon receipt of information that the pretrial detention of a defendant has interfered with the defendant attaining competency.

Subd. 3. Certified competency restoration programs; procedure. (a) If the court orders a defendant to participate in a competency restoration program that takes place outside of a jail, the court shall specify whether the program is a community-based treatment program or provided in a locked treatment facility.

(b) If the court finds that the defendant is incompetent at a review hearing held after the initial determination of competency, the court may order the defendant to continue participation in a competency restoration program as follows:

(1) if the defendant is not being held in a locked treatment facility and:

(i) the highest underlying charge is a targeted misdemeanor, for up to one year from the date the defendant was ordered to participate in a competency restoration program;

(ii) the highest underlying charge is a gross misdemeanor, for up to two years from the date the defendant was ordered to participate in a competency restoration program; or

(iii) the highest underlying charge is a felony, for up to five years from the date the defendant was ordered to participate in a competency restoration program; and

(2) if the defendant is being held in a locked treatment facility solely due to the order to participate in a certified competency restoration program and:

(i) the highest underlying charge is a targeted misdemeanor, for a number of days that does not result in the defendant being held for more than 90 days in a locked treatment facility in connection with the underlying criminal charge and competency proceeding;

(ii) the highest underlying charge is a gross misdemeanor, for up to 180 additional days provided the cumulative number of days does not result in the defendant being held for more than 365 days in a locked treatment facility in connection with the underlying criminal charge and competency proceeding; or

(iii) the highest underlying charge is a felony, for up to 180 additional days.

(c) The head of the program may recommend that a court examiner provide an updated competency examination and report to the court at any time.

(d) If the defendant has not attained competency within the time periods described in paragraph (b), the court shall dismiss the criminal charges or proceed pursuant to section 611.49. Nothing in this section prohibits the court from determining that a defendant is unlikely to attain competency at any other time.

Subd. 4. Jail-based competency restoration programs; procedure. (a) A defendant is eligible to participate in a jail-based competency restoration program if the defendant has been found incompetent; the defendant has not met the conditions of release, including posting bail, ordered pursuant to rule 6.02 of the Rules of Criminal Procedure; and a court-appointed examiner has recommended jail-based competency restoration as the least restrictive setting to meet the person's needs.

(b) A defendant may not be ordered to participate in a jail-based competency restoration program for more than 90 days. If after 90 days of the order to a jail-based program the defendant has not attained competency, the court must proceed under section 611.49 to determine if the defendant is likely to attain competency in the reasonably foreseeable future. If the court finds the defendant is likely to attain competency in the reasonably foreseeable future, the court must determine if a competency restoration program that takes place outside of a jail is available and appropriate to meet the needs of the defendant and public safety, and may order the defendant to participate in the program. If the court does not find an appropriate program, the court must review the case with input from the prosecutor and defense counsel and must dismiss the case or conditionally release the defendant with conditions that include but are not limited to a requirement that the defendant participate in a competency restoration program that takes place outside of a jail when one is available and appropriate.

(c) Nothing in this section prohibits transitioning a defendant to a competency restoration program that takes place outside of a jail if the transition is appropriate or the defendant satisfies the conditions of release or bail.

(d) If a defendant is in custody and is ordered to a competency restoration program that takes place outside of a jail, the court may order time-limited placement in a jail-based program until transfer, if a jail-based program is available within a reasonable distance to the county where the defendant is present.

(e) When the court orders time-limited placement in a jail-based competency restoration program, the court's order must include a period of no more than 30 days by which the defendant must be transferred. If the defendant cannot be transferred to the certified competency restoration program that takes place outside of a jail in the ordered time, the court shall determine whether to continue the defendant in the program or conditionally release the defendant and proceed under subdivision 5. If the defendant is transitioned to a competency restoration program that takes place outside of a jail or an alternative program, the provisions of subdivision 2 shall apply.

Subd. 5. Alternative programs; procedure. (a) A defendant is eligible to participate in an alternative program if the defendant has been found incompetent, the defendant is entitled to release, and a certified competency restoration program outside of a jail is not available.

(b) As soon as the court has reason to believe that no competency restoration program that takes place outside of a jail will be available within a reasonable time, the court must consult a forensic navigator to determine if there are available alternative programs that are likely to assist the defendant in attaining competency and may order the defendant to participate in appropriate alternative programs.

(c) If at any time while the defendant is participating in an alternative program the court or the forensic navigator determines that an appropriate competency restoration program that takes place outside of a jail will be available, the court must order the defendant to participate and transfer the defendant as soon as possible unless the court determines that the defendant is receiving appropriate competency restoration services in the alternative program.

(d) If after 90 days of the order to an alternative program the defendant has not attained competency, the court must proceed under section 611.49 to determine if the defendant is likely to attain competency in the reasonably foreseeable future. If the court finds the defendant is likely to attain competency in the reasonably foreseeable future, the court must determine if a competency restoration program is available and appropriate to meet the needs of the defendant and public safety and may order the defendant to the program. If the court does not find an appropriate program, the court must review the case with input from the prosecutor and defense counsel and must dismiss the case or continue the defendant in the alternative program.

(e) If the defendant has not attained competency within 180 days from the date of the initial order, the court shall dismiss the criminal charges or order the defendant to participate in a competency restoration program pursuant to subdivision 2.

Subd. 6. Reporting to the court. (a) The court examiner must provide an updated report to the court at least once every six months as to the defendant's competency and a description of the efforts made to restore the defendant to competency.

(b) At any time, the head of the program may notify the court and recommend that a court examiner provide an updated competency examination and report.

(c) The court shall furnish copies of the report to the prosecutor, defense counsel, and the facility or program where the defendant is being served.

(d) The report may make recommendations for continued services to ensure continued competency. If the defendant is found guilty, these recommendations may be considered by the court in imposing a sentence, including any conditions of probation.

Subd. 7. Contested hearings. The prosecutor or defense counsel may request a hearing on the court examiner's competency opinion by filing written objections to the competency report no later than ten days after receiving the report. All parties are entitled to notice before the hearing. If the hearing is held, it shall conform with the procedures of section 611.44.

Subd. 8. Competency determination. (a) The court must determine whether the defendant is competent based on the updated report from the court examiner no more than 14 days after receiving the report.

(b) If the court finds the defendant competent, the court must enter an order and the criminal proceedings shall resume.

(c) If the court finds the defendant incompetent, the court may order the defendant to continue participating in a program as provided in this section or dismiss the criminal charges.

Sec. 8. **[611.47] ADMINISTRATION OF MEDICATION.**

Subdivision 1. Motion. When a court finds that a defendant is incompetent or any time thereafter, upon the motion of the prosecutor or treating medical provider, the court shall hear and determine whether the defendant lacks capacity to make decisions regarding the administration of neuroleptic medication.

Subd. 2. Certification report. (a) If the defendant's treating medical practitioner is of the opinion that the defendant lacks capacity to make decisions regarding neuroleptic medication, the treating medical practitioner shall certify in a report that the lack of capacity exists and which conditions under subdivision 3 are applicable. The certification report shall contain an assessment of the current mental status of the defendant and the opinion of the treating medical practitioner that involuntary neuroleptic medication has become medically necessary and appropriate under subdivision 3, paragraph (b), clause (1) or (2), or in the patient's best medical interest under subdivision 3, paragraph (b), clause (3). The certification report shall be filed with the court when a motion for a hearing is made under this section.

(b) A certification report made pursuant to this section shall include a description of the neuroleptic medication proposed to be administered to the defendant and its likely effects and side effects, including effects on the defendant's condition or behavior that would affect the defendant's ability to understand the nature of the criminal proceedings or to assist counsel in the conduct of a defense in a reasonable manner.

(c) Any defendant subject to an order under subdivision 3 of this section or the state may request review of that order.

(d) The court may appoint a court examiner to examine the defendant and report to the court and parties as to whether the defendant lacks capacity to make decisions regarding the administration of neuroleptic medication. If the patient refuses to participate in an examination, the court examiner may rely on the patient's clinically relevant medical records in reaching an opinion.

(e) The defendant is entitled to a second court examiner under this section, if requested by the defendant.

Subd. 3. Determination. (a) The court shall consider opinions in the reports prepared under subdivision 2 as applicable to the issue of whether the defendant lacks capacity to make decisions regarding the administration of neuroleptic medication and shall proceed under paragraph (b).

(b) The court shall hear and determine whether any of the following is true:

(1) the defendant lacks capacity to make decisions regarding neuroleptic medication, as defined in section 253B.092, subdivision 5, the defendant's mental illness requires medical treatment with neuroleptic medication, and, if the defendant's mental illness is not treated with neuroleptic medication, it is probable that serious harm to the physical or mental health of the patient will result. Probability of serious harm to the physical or mental health of the defendant requires evidence that the defendant is presently suffering adverse effects to the defendant's physical or mental health, or the defendant has previously suffered these effects as a result of a mental illness and the defendant's condition is substantially deteriorating or likely to deteriorate without administration of neuroleptic medication. The fact that a defendant has a diagnosis of a mental illness does not alone establish probability of serious harm to the physical or mental health of the defendant;

(2) the defendant lacks capacity to make decisions regarding neuroleptic medication, as defined in section 253B.092, subdivision 5, neuroleptic medication is medically necessary, and the defendant is a danger to others, in that the defendant has inflicted, attempted to inflict, or made a serious threat of inflicting substantial bodily harm on another while in custody, or the defendant had inflicted, attempted to inflict, or made a serious threat of inflicting substantial bodily harm on another that resulted in being taken into custody, and the defendant presents, as a result of mental illness or cognitive impairment, a demonstrated danger of inflicting substantial bodily harm on others. Demonstrated danger may be based on an assessment of the defendant's present mental condition, including a consideration of past behavior of the defendant and other relevant information; or

(3) the defendant lacks capacity to make decisions regarding neuroleptic medication, as defined in section 253B.092, subdivision 5, and the state has shown by clear and convincing evidence that:

(i) the state has charged the defendant with a serious crime against the person or property;

(ii) involuntary administration of neuroleptic medication is substantially likely to render the defendant competent to stand trial;

(iii) the medication is unlikely to have side effects that interfere with the defendant's ability to understand the nature of the criminal proceedings or to assist counsel in the conduct of a defense in a reasonable manner;

(iv) less intrusive treatments are unlikely to have substantially the same results and involuntary medication is necessary; and

(v) neuroleptic medication is in the patient's best medical interest in light of his or her medical condition.

(c) In ruling on a petition under this section, the court shall also take into consideration any evidence on:

(1) what the patient would choose to do in the situation if the patient had capacity, including evidence such as a durable power of attorney for health care under chapter 145C;

(2) the defendant's family, community, moral, religious, and social values;

(3) the medical risks, benefits, and alternatives to the proposed treatment;

(4) past efficacy and any extenuating circumstances of past use of neuroleptic medications; and

(5) any other relevant factors.

(d) In determining whether the defendant possesses capacity to consent to neuroleptic medications, the court:

(1) must presume that a defendant has the capacity to make decisions regarding administration of neuroleptic medication unless that presumption is overcome by sufficient evidence to the contrary;

(2) must find that a defendant has the capacity to make decisions regarding the administration of neuroleptic medication if the defendant:

(i) has an awareness of the nature of the defendant's situation and the possible consequences of refusing treatment with neuroleptic medications;

(ii) has an understanding of treatment with neuroleptic medications and the risks, benefits, and alternatives; and

(iii) communicates verbally or nonverbally a clear choice regarding treatment with neuroleptic medications that is a reasoned one not based on a symptom of the defendant's mental illness, even though it may not be in the defendant's best interests; and

(3) must not conclude that a defendant's decision is unreasonable based solely on a disagreement with the medical practitioner's recommendation.

(e) If consideration of the evidence presented on the factors in paragraph (c) weighs in favor of authorizing involuntary administration of neuroleptic medication, and the court finds any of the conditions described in paragraph (b) to be true, the court shall issue an order authorizing involuntary administration of neuroleptic medication to the defendant when and as prescribed by the defendant's medical practitioner, including administration by a treatment facility or correctional facility. The court order shall specify which medications are authorized and may limit the maximum dosage of neuroleptic medication that may be administered. The order shall be valid for no more than one year. An order may be renewed by filing another petition under this section and following the process in this section. The order shall terminate no later than the closure of the criminal case in which it is issued. The court shall not order involuntary administration of neuroleptic medication under paragraph (b), clause (3), unless the court has first found that the defendant does not meet the criteria for involuntary administration of neuroleptic medication under paragraph (b), clause (1), and does not meet the criteria under paragraph (b), clause (2).

(f) A copy of the order must be given to the defendant, the defendant's attorney, the county attorney, and the treatment facility or correctional facility where the defendant is being served. The treatment facility, correctional facility, or treating medical practitioner may not begin administration of the neuroleptic medication until it notifies the patient of the court's order authorizing the treatment.

Subd. 4. **Emergency administration.** A treating medical practitioner may administer neuroleptic medication to a defendant who does not have capacity to make a decision regarding administration of the medication if the defendant is in an emergency situation. Medication may be administered for so long as the emergency continues to exist, up to 14 days, if the treating medical practitioner determines that the medication is necessary to prevent serious, immediate physical harm to the patient or to others. If a request for authorization to administer medication is made to the court within the 14 days, the treating medical practitioner may continue the medication through the date of the first court hearing, if the emergency continues to exist. The treating medical practitioner shall document the emergency in the defendant's medical record in specific behavioral terms.

Subd. 5. **Administration without judicial review.** Neuroleptic medications may be administered without judicial review under this subdivision if:

(1) the defendant has been prescribed neuroleptic medication prior to admission to a facility or program, but lacks the present capacity to consent to the administration of that neuroleptic medication; continued administration of the medication is in the patient's best interest; and the defendant does not refuse administration of the medication. In this situation, the previously prescribed neuroleptic medication may be continued for up to 14 days while the treating medical practitioner is requesting a court order authorizing administering neuroleptic medication or an amendment to a current court order authorizing administration of neuroleptic medication. If the treating medical practitioner requests a court order under this section within 14 days, the treating medical practitioner may continue administering the medication to the patient through the hearing date or until the court otherwise issues an order; or

(2) the defendant does not have the present capacity to consent to the administration of neuroleptic medication, but prepared a health care power of attorney or a health care directive under chapter 145C requesting treatment or authorizing an agent or proxy to request treatment, and the agent or proxy has requested the treatment.

Subd. 6. **Defendants with capacity to make informed decision.** If the court finds that the defendant has the capacity to decide whether to take neuroleptic medication, a facility or program may not administer medication without the patient's informed written consent or without the declaration of an emergency, or until further review by the court.

Subd. 7. **Procedure when patient defendant refuses medication.** If physical force is required to administer the neuroleptic medication, the facility or program may only use injectable medications. If physical force is needed to administer the medication, medication may only be administered in a setting where the person's condition can be reassessed and medical personnel qualified to administer medication are available, including in the community or a correctional facility. The facility or program may not use a nasogastric tube to administer neuroleptic medication involuntarily.

Sec. 9. **[611.48] REVIEW HEARINGS.**

The prosecutor or defense counsel may apply to the court for a hearing to review the defendant's competency restoration programming. All parties are entitled to notice before the hearing. The hearing shall be held no later than 30 days after the date of the request, unless extended upon agreement of the prosecutor and defense counsel or by the court for good cause.

Sec. 10. **[611.49] UNLIKELY TO ATTAIN COMPETENCY.**

Subdivision 1. **Applicability.** The court may find a defendant unlikely to attain competency in the reasonably foreseeable future when:

(1) the most recent court examiner's report states that the defendant is not likely to attain competency in the reasonably foreseeable future;

(2) the defendant has not been restored to competency within one year of the finding of incompetence; or

(3) the defendant has not received timely competency restoration services under section 611.46, subdivision 3 or 4.

Subd. 2. **Procedure.** (a) The court must determine whether there is a substantial probability that the defendant will attain competency within the reasonably foreseeable future.

(b) If the court finds that there is a substantial probability that the defendant will attain competency within the reasonably foreseeable future, the court shall find the defendant incompetent and proceed under section 611.46, subdivision 7.

(c) If the court finds that there is not a substantial probability the defendant will attain competency within the reasonably foreseeable future, the court must either:

(1) dismiss the case unless the defendant is charged with a violation of section 609.185 (murder in the first degree); 609.19 (murder in the second degree); 609.195 (murder in the third degree); 609.20 (manslaughter in the first degree); 609.205 (manslaughter in the second degree); 609.2112 (criminal vehicular homicide); 609.2114, subdivision 1 (criminal vehicular operation, death to an unborn child); 609.2661 (murder of an unborn child in the first degree); 609.2662 (murder of an unborn child in the second degree); 609.2663 (murder of an unborn child in the third degree); 609.2664 (manslaughter of an unborn child in the first degree); or 609.2665 (manslaughter of an unborn child in the second degree);

(2) dismiss the case and issue an order to the designated agency in the county of financial responsibility or the county where the defendant is present to conduct a prepetition screening pursuant to section 253B.07; or

(3) order the continued supervision of the defendant under subdivision 3.

(d) Any party may request a hearing by submitting a written objection to the court-appointed examiner's report no more than ten days after the report is submitted. If a hearing is held under this subdivision, there is a presumption that the defendant will not attain competency within the reasonably foreseeable future. A party attempting to overcome that presumption must prove by a preponderance of the evidence that there is a substantial probability that restoration efforts will be successful within the reasonably foreseeable future.

Subd. 3. **Continued supervision.** (a) The court may order continued supervision of a defendant who is a danger to public safety and is charged with a felony violation of section 518B.01, subdivision 14; 609.165; 609.185; 609.19; 609.195; 609.20; 609.205; 609.2112; 609.2113; 609.2114; 609.221; 609.222; 609.223; 609.2231; 609.224; 609.2242; 609.2247; 609.228; 609.229; 609.2325; 609.233; 609.235; 609.24; 609.245; 609.25; 609.255; 609.2661; 609.2662; 609.2663; 609.2664; 609.2665; 609.267; 609.2671; 609.268; 609.322; 609.342; 609.343; 609.344; 609.345; 609.3451; 609.3458; 609.377; 609.3775; 609.378; 609.487; 609.498, subdivision 1; 609.561; 609.562; 609.563; 609.582, subdivision 1 or 2; 609.66, subdivision 1e; 609.687; 609.71; 609.713; 609.748, subdivision 6; 609.749; 609.855, subdivision 5; 624.713; or 629.75.

(b) Any party may request a hearing on the issue of continued supervision by submitting a written objection no more than ten days after the order for continued supervision.

(c) Any time the court orders the continued supervision of a defendant under this subdivision, the court shall clarify the willing entity or person responsible to the court for the supervision of the defendant, including but not limited to directing an appointed forensic navigator to be responsible for continued supervision.

(d) The court must determine the most appropriate setting that is not a jail or locked treatment facility to meet the defendant's needs and public safety. The court shall consider the recommendations of the most-recent court examiner's report and consult with any resources available to the court.

(e) Notwithstanding the reporting requirements of section 611.46, subdivision 5, the court examiner must provide an updated report to the court one year after the initial order for continued supervision as to the defendant's competency and a description of the efforts made to restore the defendant to competency.

(f) If after one year of continued supervision under this section the court finds that there is a substantial probability that the defendant will attain competency within the reasonably foreseeable future, the court shall rule the defendant incompetent and proceed under section 611.46, subdivision 7.

(g) If after one year of continued supervision under this section the court finds that there is not a substantial probability that the defendant will attain competency within the reasonably foreseeable future, the court must consult the prosecutor and defense counsel and:

(1) dismiss the case; or

(2) if the defendant poses a danger to public safety, order continuing supervision.

(h) If the court orders continuing supervision under paragraph (g), the court must order an annual review of the defendant's status, including ordering that an updated competency examination and report be submitted to the court. At the annual review, the court must determine if the defendant has attained competency, if there is a substantial probability that the defendant will attain competency in the foreseeable future, and if the defendant poses a danger to public safety. If the court finds the defendant competent, the court must enter an order and the criminal proceedings shall resume. If the court finds that the defendant poses a danger to public safety, the court may continue the supervision. If the court finds that the defendant does not pose a danger to public safety, the court shall dismiss the charges. The court may not order continued supervision for more than ten years after a finding that a defendant is incompetent.

(h) At any time, the head of the program may notify the court and recommend that a court examiner provide an updated competency examination and report. At any time, the head of the program may discharge a defendant from the program or facility. The head of the program must notify the court, prosecutor, defense counsel, and the entity responsible for supervision of the defendant five business days prior to any planned discharge.

(i) The court may provide, partner, or contract for pretrial supervision services or continued supervision if the defendant is found incompetent and unlikely to attain competency in the reasonably foreseeable future.

Sec. 11. **[611.50] DEFENDANT'S PARTICIPATION AND CONDUCT OF HEARINGS.**

Subdivision 1. **Place of hearing.** Upon request of the prosecutor, defense counsel, or head of the treatment facility or state-operated treatment program, and approval by the court and the treatment facility or state-operated treatment program, a hearing may be held at a treatment facility or state-operated treatment program. A hearing may be conducted by interactive video conference consistent with the Rules of Criminal Procedure.

Subd. 2. **Absence permitted.** When a medical professional treating the defendant submits a written report stating that participating in a hearing under this statute is not in the best interest of the defendant and would be detrimental to the defendant's mental or physical health, the court shall notify the defense counsel and the defendant and allow the hearing to proceed without the defendant's participation.

Subd. 3. **Disruption of hearing.** At any hearing required under this section, the court, on its motion or on the motion of any party, may exclude or excuse a defendant who is seriously disruptive, refuses to participate, or who is incapable of comprehending and participating in the proceedings. In such instances, the court shall, with specificity on the record, state the behavior of the defendant or other circumstances which justify proceeding in the absence of the defendant.

Subd. 4. **Issues not requiring defendant's participation.** The defendant's incompetence does not preclude the defense counsel from making an objection or defense before trial that can be fairly determined without the defendant's participation.

Sec. 12. **[611.51] CREDIT FOR CONFINEMENT.**

If the defendant is convicted, any time spent confined in a secured setting while being assessed and restored to competency must be credited as time served.

Sec. 13. **EFFECTIVE DATE.**

This article is effective July 1, 2023, and applies to competency determinations initiated on or after that date.

ARTICLE 2
COMPETENCY RESTORATION SERVICES

Section 1. **[611.55] FORENSIC NAVIGATOR SERVICES.**

Subdivision 1. **Definition.** As used in this section, "board" means the State Competency Restoration Board established in section 611.56.

Subd. 2. **Availability of forensic navigator services.** The board must provide or contract for enough forensic navigator services to meet the needs of adult defendants in each judicial district who are found incompetent to stand trial.

Subd. 3. **Duties.** (a) Forensic navigators shall serve as an impartial party in all legal matters relating to the defendant and the criminal case. Nothing shall be construed to permit the forensic navigator to provide legal counsel as a representative of the court, prosecutor, or defense counsel.

(b) Forensic navigators shall provide services to assist defendants with mental illnesses and cognitive impairments. Services may include, but are not limited to:

(1) developing dismissal plans;

(2) assisting defendants in participating in court-ordered examinations and hearings;

(3) coordinating timely placement in court-ordered competency restoration programs;

(4) providing competency restoration education;

(5) reporting to the court on the progress of defendants found incompetent to stand trial;

(6) providing coordinating services to help defendants access needed mental health, medical, housing, financial, social, transportation, precharge and pretrial diversion, and other necessary services provided by other programs and community service providers;

(7) communicating with and offering supportive resources to defendants and family members of defendants; and

(8) providing consultation and education to court officials on emerging issues and innovations in serving defendants with mental illnesses in the court system.

(c) If a defendant's charges are dismissed, the appointed forensic navigator may continue assertive outreach with the individual for up to 90 days to assist in attaining stability in the community.

Subd. 4. Dismissal plans. (a) The forensic navigator must prepare dismissal plans with the defendant and submit them to the court. Dismissal plans must be submitted before the time the court makes a competency finding pursuant to section 611.45. The dismissal plan must include:

(1) a confirmed housing address the defendant will use upon release, including but not limited to emergency shelters;

(2) if possible, the dates, times, locations, and contact information for any appointments made to further coordinate support and assistance for the defendant in the community, including but not limited to mental health and substance use disorder treatment, or a list of referrals to services; and

(3) any other referrals, resources, or recommendations the forensic navigator or court deems necessary.

(b) Dismissal plans and any supporting records or other data submitted with those plans are not accessible to the public.

Sec. 2. [611.56] STATE COMPETENCY RESTORATION BOARD.

Subdivision 1. Establishment; membership. (a) The State Competency Restoration Board is established in the judicial branch. The board is not subject to the administrative control of the judiciary. The board shall consist of seven members, including:

(1) three members appointed by the supreme court, at least one of whom must be a defense attorney, one a county attorney, and one public member; and

(2) four members appointed by the governor.

(b) The appointing authorities may not appoint an active judge to be a member of the board, but may appoint a retired judge.

(c) All members must demonstrate an interest in maintaining a high quality, independent forensic navigator program and a thorough process for certification of competency restoration programs. Members shall be familiar with the Minnesota Rules of Criminal Procedure, particularly rule 20; chapter 253B; and sections 611.40 to 611.59. Following the initial terms of appointment, at least one member appointed by the supreme court must have previous experience working as a forensic navigator. At least three members of the board shall live outside the First, Second, Fourth, and Tenth Judicial Districts. The terms, compensation, and removal of members shall be as provided in section 15.0575. The members shall elect the chair from among the membership for a term of two years.

Subd. 2. Duties and responsibilities. (a) The board shall create and administer a statewide, independent competency restoration system that certifies competency restoration programs and uses forensic navigators to promote prevention and diversion of people with mental illnesses and cognitive impairments from entering the legal system, support defendants with mental illness and cognitive impairments, support defendants in the competency process, and assist courts and partners in coordinating competency restoration services.

(b) The board shall:

(1) approve and recommend to the legislature a budget for the board and the forensic navigator program;

(2) establish procedures for distribution of funding under this section to the forensic navigator program;

(3) establish forensic navigator standards, administrative policies, procedures, and rules consistent with statute, rules of court, and laws that affect a forensic navigator's work;

(4) establish certification requirements for competency restoration programs; and

(5) carry out the programs under sections 611.57, 611.58, and 611.59.

(c) The board may:

(1) adopt standards, policies, or procedures necessary to ensure quality assistance for defendants found incompetent to stand trial and charged with a felony, gross misdemeanor, or targeted misdemeanor, or for defendants found incompetent to stand trial who have recurring incidents;

(2) establish district forensic navigator offices as provided in subdivision 4; and

(3) propose statutory changes to the legislature and rule changes to the supreme court that would facilitate the effective operation of the forensic navigator program.

Subd. 3. Administrator. The board shall appoint a program administrator who serves at the pleasure of the board. The program administrator shall attend all meetings of the board and the Certification Advisory Committee, but may not vote, and shall:

(1) carry out all administrative functions necessary for the efficient and effective operation of the board and the program, including but not limited to hiring, supervising, and disciplining program staff and forensic navigators;

(2) implement, as necessary, resolutions, standards, rules, regulations, and policies of the board;

(3) keep the board fully advised as to its financial condition, and prepare and submit to the board the annual program and budget and other financial information as requested by the board;

(4) recommend to the board the adoption of rules and regulations necessary for the efficient operation of the board and the program; and

(5) perform other duties prescribed by the board.

Subd. 4. District offices. The board may establish district forensic navigator offices in counties, judicial districts, or other areas where the number of defendants receiving competency restoration services requires more than one full-time forensic navigator and establishment of an office is fiscally responsible and in the best interest of defendants found to be incompetent.

Subd. 5. Administration. The board may contract with the Office of State Court Administrator for administrative support services for the fiscal years following fiscal year 2022.

Subd. 6. Fees and costs; civil actions on contested case. Sections 15.039 and 15.471 to 15.474 apply to the State Competency Restoration Board.

Sec. 3. **[611.57] CERTIFICATION ADVISORY COMMITTEE.**

Subdivision 1. **Establishment.** The Certification Advisory Committee is established to provide the State Competency Restoration Board with advice and expertise related to the certification of competency restoration programs, including jail-based programs.

Subd. 2. **Membership.** (a) The Certification Advisory Committee consists of the following members:

(1) a mental health professional, as defined in section 245.462, subdivision 18, with community behavioral health experience, appointed by the governor;

(2) a board-certified forensic psychiatrist with experience in competency evaluations, providing competency restoration services, or both, appointed by the governor;

(3) a board-certified forensic psychologist with experience in competency evaluations, providing competency restoration services, or both, appointed by the governor;

(4) a member of a human services board established pursuant to section 402.01, appointed by the governor;

(5) the direct care and treatment deputy commissioner or a designee;

(6) the president of the Minnesota Association of County Social Service Administrators or a designee;

(7) the president of the Minnesota Association of Community Mental Health Providers or a designee;

(8) the president of the Minnesota Sheriffs' Association or a designee; and

(9) the executive director of the National Alliance on Mental Illness Minnesota or a designee.

(b) Members of the advisory committee serve without compensation and at the pleasure of the appointing authority. Vacancies shall be filled by the appointing authority consistent with the qualifications of the vacating member required by this subdivision.

Subd. 3. **Meetings.** At its first meeting, the advisory committee shall elect a chair and may elect a vice-chair. The advisory committee shall meet at least monthly or upon the call the chair. The advisory committee shall meet sufficiently enough to accomplish the tasks identified in this section. Meetings of the advisory committee are subject to Minnesota Statutes, chapter 13D.

Subd. 4. **Duties.** The Certification Advisory Committee shall consult with the Department of Human Services, the Department of Health, and the Department of Corrections; make recommendations to the State Competency Restoration Board regarding competency restoration curriculum, certification requirements for competency restoration programs including jail-based programs, and certification of individuals to provide competency restoration services; and provide information and recommendations on other issues relevant to competency restoration as requested by the board.

Sec. 4. **[611.58] COMPETENCY RESTORATION CURRICULUM AND CERTIFICATION.**

Subdivision 1. **Curriculum.** (a) By January 1, 2023, the board must recommend a competency restoration curriculum to educate and assist defendants found incompetent in attaining the ability to:

(1) rationally consult with counsel;

(2) understand the proceedings; and

(3) participate in the defense.

(b) The curriculum must be flexible enough to be delivered in community and correctional settings by individuals with various levels of education and qualifications, including but not limited to professionals in criminal justice, health care, mental health care, and social services. The board must review and update the curriculum as needed.

Subd. 2. **Certification and distribution.** By January 1, 2023, the board must develop a process for certifying individuals to deliver the competency restoration curriculum and make the curriculum available to every certified competency restoration program and forensic navigator in the state. Each competency restoration program in the state must use the competency restoration curriculum under this section as the foundation for delivering competency restoration education and must not substantially alter the content.

Sec. 5. [611.59] COMPETENCY RESTORATION PROGRAMS.

Subdivision 1. **Certification.** The board, in consultation with the Certification Advisory Committee, shall develop procedures to certify that the standards in this section are met, including procedures for regular recertification of competency restoration programs. The board shall maintain a list of certified competency restoration programs on the board's website to be updated at least once every year.

Subd. 2. **Competency restoration provider standards.** Except for jail-based programs, a competency restoration provider must:

(1) be able to provide the appropriate mental health or substance use disorder treatment ordered by the court, including but not limited to treatment in inpatient, residential, and home-based settings;

(2) ensure that competency restoration education certified by the board is provided to defendants and that regular assessments of defendants' progress in attaining competency are documented;

(3) designate a head of the program knowledgeable in the processes and requirements of the competency to stand trial procedures; and

(4) develop staff procedures or designate a person responsible to ensure timely communication with the court system.

Subd. 3. **Jail-based competency restoration standards.** Jail-based competency restoration programs must be housed in correctional facilities licensed by the Department of Corrections under section 241.021 and must:

(1) have a designated program director who meets minimum qualification standards set by the board, including understanding the requirements of competency to stand trial procedures;

(2) provide minimum mental health services including:

(i) multidisciplinary staff sufficient to monitor defendants and provide timely assessments, treatment, and referrals as needed, including at least one medical professional licensed to prescribe psychiatric medication;

(ii) prescribing, dispensing, and administering any medication deemed clinically appropriate by qualified medical professionals; and

(iii) policies and procedures for the administration of involuntary medication;

(3) ensure that competency restoration education certified by the board is provided to defendants and regular assessments of defendants' progress in attaining competency to stand trial are documented;

(4) develop staff procedures or designate a person responsible to ensure timely communication with the court system; and

(5) designate a space in the correctional facility for the program.

Subd. 2. Program evaluations. (a) The board shall collect the following data:

(1) the total number of competency examinations ordered in each judicial district separated by county;

(2) the age, race, and number of unique defendants and for whom at least one competency examination was ordered in each judicial district separated by county;

(3) the age, race, and number of unique defendants found incompetent at least once in each judicial district separated by county; and

(4) all available data on the level of charge and adjudication of cases with a defendant found incompetent and whether a forensic navigator was assigned to the case.

(b) By February 15 of each year, the board must report to the legislative committees and divisions with jurisdiction over human services, public safety, and the judiciary on the data collected under this subdivision and may include recommendations for statutory or funding changes related to competency restoration.

ARTICLE 3 CONFORMING CHANGES AND APPROPRIATIONS

Section 1. Minnesota Statutes 2020, section 253B.07, subdivision 2a, is amended to read:

Subd. 2a. Petition originating from criminal proceedings. (a) If criminal charges are pending against a defendant, the court shall order simultaneous competency and civil commitment examinations in accordance with Minnesota Rules of Criminal Procedure, rule 20.04, when the following conditions are met:

(1) the prosecutor or defense counsel doubts the defendant's competency and a motion is made challenging competency, or the court on its initiative raises the issue under section 611.42 or Rules of Criminal Procedure, rule 20.01; and

(2) the prosecutor and defense counsel agree simultaneous examinations are appropriate.

No additional examination under subdivision 3 is required in a subsequent civil commitment proceeding unless a second examination is requested by defense counsel appointed following the filing of any petition for commitment.

(b) Only a court examiner may conduct an assessment as described in section 611.43 or Minnesota Rules of Criminal Procedure, rules 20.01, subdivision 4, and 20.02, subdivision 2.

(c) Where a county is ordered to consider civil commitment following a determination of incompetency under section 611.45 or Minnesota Rules of Criminal Procedure, rule 20.01, the county in which the criminal matter is pending is responsible to conduct prepetition screening and, if statutory conditions for commitment are satisfied, to file the commitment petition in that county. By agreement between county attorneys, prepetition screening and filing the petition may be handled in the county of financial responsibility or the county where the proposed patient is present.

(d) Following an acquittal of a person of a criminal charge under section 611.026, the petition shall be filed by the county attorney of the county in which the acquittal took place and the petition shall be filed with the court in which the acquittal took place, and that court shall be the committing court for purposes of this chapter. When a petition is filed pursuant to subdivision 2 with the court in which acquittal of a criminal charge took place, the court shall assign the judge before whom the acquittal took place to hear the commitment proceedings unless that judge is unavailable.

Sec. 2. Minnesota Statutes 2020, section 253B.10, subdivision 1, is amended to read:

Subdivision 1. **Administrative requirements.** (a) When a person is committed, the court shall issue a warrant or an order committing the patient to the custody of the head of the treatment facility, state-operated treatment program, or community-based treatment program. The warrant or order shall state that the patient meets the statutory criteria for civil commitment.

(b) The commissioner shall prioritize patients being admitted from jail or a correctional institution who are:

(1) ordered confined in a state-operated treatment program for an examination under section 611.43 or Minnesota Rules of Criminal Procedure, rules 20.01, subdivision 4, paragraph (a), and 20.02, subdivision 2;

(2) under civil commitment for competency treatment and continuing supervision under section 611.46 or Minnesota Rules of Criminal Procedure, rule 20.01, subdivision 7;

(3) found not guilty by reason of mental illness under Minnesota Rules of Criminal Procedure, rule 20.02, subdivision 8, and under civil commitment or are ordered to be detained in a state-operated treatment program pending completion of the civil commitment proceedings; or

(4) committed under this chapter to the commissioner after dismissal of the patient's criminal charges.

Patients described in this paragraph must be admitted to a state-operated treatment program within 48 hours. The commitment must be ordered by the court as provided in section 253B.09, subdivision 1, paragraph (d).

(c) Upon the arrival of a patient at the designated treatment facility, state-operated treatment program, or community-based treatment program, the head of the facility or program shall retain the duplicate of the warrant and endorse receipt upon the original warrant or acknowledge receipt of the order. The endorsed receipt or acknowledgment must be filed in the court of commitment. After arrival, the patient shall be under the control and custody of the head of the facility or program.

(d) Copies of the petition for commitment, the court's findings of fact and conclusions of law, the court order committing the patient, the report of the court examiners, and the prepetition report, and any medical and behavioral information available shall be provided at the time of admission of a patient to the designated treatment facility or program to which the patient is committed. Upon a patient's referral to the commissioner of human services for admission pursuant to subdivision 1, paragraph (b), any inpatient hospital, treatment facility, jail, or correctional facility that has provided care or supervision to the patient in the previous two years shall, when requested by the treatment facility or commissioner, provide copies of the patient's medical and behavioral records to the Department of Human Services for purposes of preadmission planning. This information shall be provided by the head of the treatment facility to treatment facility staff in a consistent and timely manner and pursuant to all applicable laws.

Sec. 3. Minnesota Statutes 2020, section 480.182, is amended to read:

480.182 STATE ASSUMPTION OF CERTAIN COURT COSTS.

Notwithstanding any law to the contrary, the state courts will pay for the following court-related programs and costs:

(1) court interpreter program costs, including the costs of hiring court interpreters;

- (2) guardian ad litem program and personnel costs;
- (3) examination costs, not including hospitalization or treatment costs, for mental commitments and related proceedings under chapter 253B;
- (4) examination costs under chapter 611 or rule 20 of the Rules of Criminal Procedure;
- (5) in forma pauperis costs;
- (6) costs for transcripts mandated by statute, except in appeal cases and postconviction cases handled by the Board of Public Defense;
- (7) jury program costs; and
- (8) witness fees and mileage fees specified in sections 253B.23, subdivision 1; 260B.152, subdivision 2; 260B.331, subdivision 3, clause (1); 260C.152, subdivision 2; 260C.331, subdivision 3, clause (1); 357.24; 357.32; and 627.02.

Sec. 4. **STATE COMPETENCY RESTORATION BOARD; APPROPRIATIONS.**

Subdivision 1. **Operations.** \$..... in fiscal year 2023 is appropriated from the general fund to the State Competency Restoration Board for staff and establishment of the office.

Subd. 2. **Forensic navigators.** \$..... in fiscal year 2023 is appropriated from the general fund to the State Competency Restoration Board for the costs associated with providing forensic navigator services in each judicial district.

Subd. 3. **Competency restoration programs and providers.** \$..... in fiscal year 2023 is appropriated from the general fund to the State Competency Restoration Board to establish certification standards for competency restoration programs and providers in each of the ten judicial districts."

Delete the title and insert:

"A bill for an act relating to judiciary; establishing a statutory procedure to assess the competency of a defendant to stand trial; providing for contested hearings; establishing continuing supervision for certain defendants found incompetent to stand trial; establishing requirements to restore certain defendants to competency; providing for administration of medication; establishing forensic navigators; requiring forensic navigators to provide services to certain defendants; establishing dismissal plans for certain defendants found incompetent to stand trial; providing for jail-based competency restoration programs; establishing the State Competency Restoration Board and certification advisory committee; requiring a report; appropriating money; amending Minnesota Statutes 2020, sections 253B.07, subdivision 2a; 253B.10, subdivision 1; 480.182; proposing coding for new law in Minnesota Statutes, chapter 611."

With the recommendation that when so amended the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Liebling from the Committee on Health Finance and Policy to which was referred:

H. F. No. 3403, A bill for an act relating to professional licensing; establishing a preliminary application procedure for individuals seeking professional licenses; permitting licensing boards to charge application fees; authorizing appeals; requiring reports; proposing coding for new law in Minnesota Statutes, chapter 214.

Reported the same back with the following amendments:

Page 1, delete lines 9 to 12 and insert:

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

(b) "Conviction" has the meaning given in section 609.02, subdivision 5.

(c) "Criminal record" means a record of an arrest, prosecution, criminal proceeding, or conviction.

(d) "State licensor" or "licensor" means a state agency or examining and licensing board, including a health-related licensing board and non-health-related licensing board that issues an occupational or professional license, registration, or certificate and considers before issuing the license, registration, or certificate any criminal record or conviction of an applicant that may make an applicant ineligible to receive the license, registration, or certificate.

Subd. 2. **Scope.** (a) This section does not apply to a license, registration, or certificate issued by a state licensor if the license, registration, or certificate does not require an applicant to report to the state licensor as part of the application process the applicant's criminal record or does not require an applicant to obtain a criminal background check or study as part of the application process to obtain the license, registration, or certificate.

(b) The preliminary application process described under this section may only be utilized by an individual who has a criminal record."

Renumber the subdivisions in sequence

Page 1, line 14, delete "a person" and insert "an individual"

Page 1, line 15, delete everything after "criminal" and insert "record or conviction"

Page 1, line 16, delete "misconduct"

Page 1, line 17, delete "person" and insert "individual"

Page 1, line 21, delete "a copy of" and insert "information about"

Page 1, line 22, delete "or complete a background check or background study if required by statute"

Page 2, line 1, delete everything after "licensor" and insert a period

Page 2, delete line 2

Page 2, line 16, after "criminal" insert "record or"

Page 2, line 17, delete everything before "that"

Page 2, line 21, after "criminal" insert "record or" and delete "or other record of alleged misconduct"

Page 2, line 30, after "criminal" insert "records or" and delete "or other records of alleged"

Page 2, line 31, delete "misconduct"

Page 2, line 32, delete "the applicant"

Page 2, line 33, before "is" insert "the applicant"

Page 3, line 1, before "provided" insert "the applicant" and delete "or"

Page 3, line 2, before "provided" insert "the applicant" and delete the period and insert "; or"

Page 3, after line 2, insert:

"(4) changes to state law were enacted after the date the decision was issued, making the applicant ineligible under state law to receive a license, registration, or certificate.

(f) Nothing in this section shall preclude a licensor from issuing a license, registration, or certificate to an applicant that includes limitations or conditions on the license, registration, or certificate based on a criminal conviction or alleged misconduct of the applicant.

(g) By August 1 of each year, each state licensor shall submit to the commissioner of management and budget the number of applicants who submitted preliminary applications to the licensor in accordance with this section and the number of applicants who subsequently applied for a license, registration, or certificate for the previous fiscal year. The state licensor shall also submit the total amount of initial application fees that were not paid by these applicants pursuant to paragraph (c), or, if the licensor does not collect a fee for issuing a license, registration, or certificate, the cost of processing the preliminary application fee that was not covered pursuant to paragraph (c). Each fiscal year, an amount necessary to pay each state licensor the rest of each initial application fee or the rest of the cost of processing each preliminary application if an initial application fee was not collected by the licensor is appropriated from the general fund to the appropriate state licensor."

Page 3, lines 8 and 12, after "criminal" insert "record or" and delete "or other record of alleged misconduct"

Amend the title as follows:

Page 1, line 4 after "reports;" insert "appropriating money;"

With the recommendation that when so amended the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Lillie from the Committee on Legacy Finance to which was referred:

H. F. No. 3438, A bill for an act relating to legacy; appropriating money to maintain dedicated funding website.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1
OUTDOOR HERITAGE FUND

Section 1. **APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the outdoor heritage fund for the fiscal year indicated for each purpose. The figures "2022" and "2023" used in this article mean that the appropriations listed under the figure are available for the fiscal year ending June 30, 2022, and June 30, 2023, respectively. The "first year" is fiscal year 2022. The "second year" is fiscal year 2023. The "biennium" is fiscal years 2022 and 2023. The appropriations in this article are onetime appropriations.

<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2022</u>	<u>2023</u>

Sec. 2. **OUTDOOR HERITAGE FUND**

Subdivision 1. **Total Appropriation**

<u>\$-0-</u>	<u>\$159,049,000</u>
---------------------	-----------------------------

This appropriation is from the outdoor heritage fund. The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. **Prairies**

<u>-0-</u>	<u>35,033,000</u>
-------------------	--------------------------

(a) Accelerating the Wildlife Management Area Program, Phase XIV

\$5,660,000 the second year is to the commissioner of natural resources for an agreement with Pheasants Forever to acquire in fee and restore and enhance lands for wildlife management area purposes under Minnesota Statutes, section 86A.05, subdivision 8. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquiring lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(b) RIM Grasslands Reserve, Phase IV

\$4,536,000 the second year is to the Board of Water and Soil Resources to acquire permanent conservation easements and to restore and enhance grassland habitat under Minnesota Statutes, sections 103F.501 to 103F.531. Of this amount, up to \$73,000 is

to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report.

(c) Prairie Chicken Habitat Partnership of the Southern Red River Valley, Phase VIII

\$4,440,000 the second year is to the commissioner of natural resources for an agreement with Pheasants Forever, in cooperation with the Minnesota Prairie Chicken Society, to acquire land in fee and restore and enhance lands within the southern Red River Valley for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8, or lands to be designated and managed as waterfowl production areas in Minnesota, in cooperation with the United States Fish and Wildlife Service. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquiring lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(d) Minnesota Prairie Recovery Program, Phase XII

\$4,512,000 the second year is to the commissioner of natural resources for an agreement with The Nature Conservancy to acquire land in fee and restore and enhance native prairie, grasslands, wetlands, and savanna. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquiring lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. Annual income statements and balance sheets for income and expenses from land acquired with this appropriation must be submitted to the Lessard-Sams Outdoor Heritage Council no later than 180 days following the close of The Nature Conservancy's fiscal year. A list of proposed land acquisitions, restorations, and enhancements must be provided as part of the required accomplishment plan and must be consistent with the priorities identified in the *Minnesota Prairie Conservation Plan*.

(e) Enhanced Public Land - Open Landscapes, Phase II

\$2,557,000 the second year is to the commissioner of natural resources for an agreement with Pheasants Forever, in cooperation with the Minnesota Sharp-Tailed Grouse Society, to acquire land in fee under Minnesota Statutes, section 86A.05, subdivision 8, and restore and enhance lands for wildlife management purposes. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(f) RIM Buffers for Wildlife and Water, Phase X

\$4,392,000 the second year is to the Board of Water and Soil Resources to acquire permanent conservation easements and restore habitat under Minnesota Statutes, section 103F.515, to protect, restore, and enhance habitat by expanding the riparian buffer program under the clean water fund for additional wildlife benefits from buffers on private land. Of this amount, up to \$111,000 is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report.

(g) Northern Tallgrass Prairie National Wildlife Refuge Land Acquisition, Phase XIII

\$3,870,000 the second year is to the commissioner of natural resources for an agreement with The Nature Conservancy, in cooperation with the United States Fish and Wildlife Service, to acquire land in fee or permanent conservation easements and restore and enhance lands within the Northern Tallgrass Prairie Habitat Preservation Area in western Minnesota for addition to the Northern Tallgrass Prairie National Wildlife Refuge. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquiring lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan and must be consistent with the priorities in the *Minnesota Prairie Conservation Plan*.

(h) Martin County DNR WMA Acquisition, Phase VI

\$1,978,000 the second year is to the commissioner of natural resources for agreements to acquire land in fee and restore and enhance strategic prairie grassland, wetland, and other wildlife habitat in Martin and Watonwan Counties for wildlife management area purposes under Minnesota Statutes, section 86A.05, subdivision 8, as follows: \$1,512,000 to Fox Lake Conservation League, Inc.; \$417,000 to Ducks Unlimited; and \$49,000 to The Conservation Fund. A list of proposed acquisitions must be provided as part of the required accomplishment plan.

(i) DNR Grassland Enhancement, Phase XIV

\$3,088,000 the second year is to the commissioner of natural resources to accelerate the restoration and enhancement of prairies, grasslands, and savannas in wildlife management areas, in scientific and natural areas, in aquatic management areas, on lands in the native prairie bank, in bluff prairies on state forest land in

southeastern Minnesota, and in waterfowl production areas and refuge lands of the United States Fish and Wildlife Service. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

Subd. 3. Forests

-0-

13,261,000

(a) Minnesota Forest Recovery Project, Phase II

\$4,585,000 the second year is to the commissioner of natural resources for an agreement with The Nature Conservancy in cooperation with the Department of Natural Resources and Minnesota Land Trust to acquire permanent conservation easements and restore and enhance degraded forests in Beltrami, Cass, Cook, Itasca, Lake, Koochiching, and St. Louis Counties. Of this amount, up to \$179,000 is to the easement holder to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed permanent conservation easements, restorations, and enhancements must be provided as part of the required accomplishment plan.

(b) Camp Ripley Sentinel Landscape Protection Program ACUB, Phase X

\$2,983,000 the second year is to the Board of Water and Soil Resources, in cooperation with the Morrison County Soil and Water Conservation District, to acquire permanent conservation easements and restore and enhance forest wildlife habitat within the boundaries of the Minnesota National Guard Camp Ripley Sentinel Landscape and Army Compatible Use Buffer. Up to \$189,000 to the Board of Water and Soil Resources is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report.

(c) Minnesota Forests for the Future, Phase IX

\$2,501,000 the second year is to the commissioner of natural resources to acquire lands in conservation easements and to restore and enhance forests, wetlands, and shoreline habitat through working forest permanent conservation easements under the Minnesota forests for the future program according to Minnesota Statutes, section 84.66. A conservation easement acquired with money appropriated under this paragraph must comply with Minnesota Statutes, section 97A.056, subdivision 13. The accomplishment plan must include an easement monitoring and enforcement plan. Of this amount, up to \$220,000 is to establish a monitoring and enforcement fund as approved in the

accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed land acquisitions must be provided as part of the required accomplishment plan. A list of permanent conservation easements must be provided as part of the final report.

(d) Big Woods Protection at Stieg Woods

\$1,020,000 the second year is to the commissioner of natural resources for an agreement with the city of Rogers to acquire land in fee and restore and enhance forest habitat for wildlife in Hennepin County. A list of proposed acquisitions, restorations, and enhancements must be provided as part of the required accomplishment plan.

(e) DNR Forest Habitat Enhancement, Phase II

\$2,172,000 the second year is to the commissioner of natural resources to restore and enhance wildlife habitat within the northern forest region in wildlife management areas, scientific and natural areas, aquatic management areas, and state forests. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

Subd. 4. Wetlands

-0-

26,771,000

(a) Accelerating the Waterfowl Production Area Acquisition Program, Phase XIV

\$5,537,000 the second year is to the commissioner of natural resources for an agreement with Pheasants Forever, in cooperation with the United States Fish and Wildlife Service, to acquire land in fee and restore and enhance wetlands and grasslands to be designated and managed as waterfowl production areas in Minnesota. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(b) Wetland Habitat Protection and Restoration Program, Phase VII

\$3,330,000 the second year is to the commissioner of natural resources for an agreement with Minnesota Land Trust to acquire permanent conservation easements and restore and enhance prairie, wetland, and other habitat on permanently protected conservation easements within high-priority wetland habitat complexes in the prairie and forest/prairie transition regions. Of this amount, up to \$240,000 is to establish a monitoring and enforcement fund, as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed conservation easement acquisitions, restorations, and enhancements must be provided as part of the required accomplishment plan.

(c) Wild-Rice Shoreland Protection, Phase VIII

\$1,470,000 the second year is to the Board of Water and Soil Resources to acquire permanent conservation easements on wild-rice lake shoreland habitat for native wild-rice bed protection. Of this amount, up to \$91,000 is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report.

(d) Shallow Lake and Wetland Protection and Restoration Program, Phase XI

\$4,779,000 the second year is to the commissioner of natural resources for an agreement with Ducks Unlimited to acquire land in fee for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8, and to restore and enhance prairie lands, wetlands, and land buffering shallow lakes. A list of proposed acquisitions must be provided as part of the required accomplishment plan.

(e) RIM Wetlands, Phase XI

\$4,199,000 the second year is to the Board of Water and Soil Resources to acquire permanent conservation easements and to restore wetlands and native grassland habitat under Minnesota Statutes, section 103F.515. Of this amount, up to \$78,000 is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report.

(f) Living Shallow Lake Enhancement and Wetland Restoration Initiative, Phase VIII

\$5,155,000 the second year is to the commissioner of natural resources for an agreement with Ducks Unlimited to restore and enhance shallow lakes and wetlands on public lands and wetlands under permanent conservation easement for wildlife management. A list of proposed shallow lake enhancements and wetland restorations must be provided as part of the required accomplishment plan.

(g) Accelerated Shallow Lakes and Wetland Enhancement, Phase XIV

\$2,301,000 the second year is to the commissioner of natural resources to enhance and restore shallow lakes and wetland habitat statewide. A list of proposed shallow lake and wetland restorations and enhancements must be provided as part of the required accomplishment plan.

Subd. 5. Habitats

-0-

83,361,000**(a) Dakota County Habitat Protection/Restoration, Phase VIII**

\$6,066,000 the second year is to the commissioner of natural resources for an agreement with Dakota County to acquire permanent conservation easements and land in fee and to restore and enhance riparian and other wildlife habitats in Dakota County. A list of proposed land acquisitions and restorations and enhancements must be provided as part of the required accomplishment plan.

(b) Integrating Habitat and Clean Water

\$2,358,000 the second year is to the Board of Water and Soil Resources to acquire permanent conservation easements and restore and enhance wildlife habitat identified in One Watershed, One Plan for stacked benefit to wildlife and clean water. Up to \$65,000 of the total amount is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed acquisitions must be included as part of the required accomplishment plan.

(c) Protecting Coldwater Fisheries on Minnesota's North Shore, Phase II

\$3,395,000 the second year is to the commissioner of natural resources for an agreement with Minnesota Land Trust to acquire permanent conservation easements and to restore and enhance wildlife habitat in priority coldwater tributaries to Lake Superior. Of this amount, up to \$240,000 is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed conservation easement acquisitions, restorations, and enhancements must be provided as part of the required accomplishment plan.

(d) Southeast Minnesota Protection and Restoration, Phase X

\$5,358,000 the second year is to the commissioner of natural resources for agreements as follows: (1) \$1,817,000 to The Nature Conservancy to acquire lands in fee for wildlife management under Minnesota Statutes, section 86A.05, subdivision 8; for scientific and natural areas under Minnesota Statutes, section 86A.05, subdivision 5; for state forests under Minnesota Statutes, section 86A.05, subdivision 7; and for aquatic management areas under Minnesota Statutes, section 86A.05, subdivision 14, and to restore and enhance wildlife habitat; (2) \$1,430,000 to The Trust for Public Land to acquire lands in fee for wildlife management under Minnesota Statutes, section 86A.05, subdivision 8; for scientific

and natural areas under Minnesota Statutes, section 86A.05, subdivision 5; for state forests under Minnesota Statutes, section 86A.05, subdivision 7; and for aquatic management areas under Minnesota Statutes, section 86A.05, subdivision 14; and (3) \$2,111,000 to Minnesota Land Trust to acquire permanent conservation easements and to restore and enhance wildlife habitat, of which \$216,000 is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(e) Mississippi Headwaters Habitat Corridor Project, Phase VII

\$5,465,000 the second year is to acquire lands in fee and permanent conservation easements and to restore wildlife habitat in the Mississippi headwaters. Of this amount, (1) \$3,814,000 is to the commissioner of natural resources for agreements as follows: \$54,000 is to the Mississippi Headwaters Board and \$3,760,000 is to The Trust for Public Land; and (2) \$1,651,000 is to the Board of Water and Soil Resources, of which up to \$150,000 is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed acquisitions must be included as part of the required accomplishment plan.

(f) Shell Rock River Watershed Habitat Restoration Program, Phase XI

\$1,438,000 the second year is to the commissioner of natural resources for an agreement with the Shell Rock River Watershed District to acquire land in fee and to restore and enhance habitat in the Shell Rock River watershed. A list of proposed acquisitions, restorations, and enhancements must be provided as part of the required accomplishment plan.

(g) DNR Wildlife Management Area and Scientific and Natural Area Acquisition, Phase XIV

\$1,426,000 the second year is to the commissioner of natural resources to acquire in fee and restore and enhance lands for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8, and to acquire land in fee for scientific and natural area purposes under Minnesota Statutes, section 86A.05, subdivision 5. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquiring lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(h) Cannon River Watershed Habitat Restoration and Protection Program, Phase XI

\$2,636,000 the second year is to the commissioner of natural resources for an agreement with The Trust for Public Land, in cooperation with Great River Greening and Clean River Partners, to acquire lands in fee in the Cannon River watershed for wildlife management under Minnesota Statutes, section 86A.05, subdivision 8; to acquire lands in fee for aquatic management purposes under Minnesota Statutes, section 86A.05, subdivision 14; to acquire lands in fee for scientific and natural areas under Minnesota Statutes, section 86A.05, subdivision 5; to acquire lands in fee for state forests under Minnesota Statutes, section 86A.05, subdivision 7; to acquire lands in fee for county forests or natural areas; and to restore and enhance lands in the Cannon River watershed. Of this amount, \$1,651,000 is to The Trust for Public Land; \$828,000 is to Great River Greening; and \$157,000 is to Clean River Partners. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquiring lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions and restorations must be provided as part of the required accomplishment plan.

(i) Washington County Habitat Protection and Restoration Partnership

\$4,288,000 the second year is to the commissioner of natural resources for agreements to acquire permanent conservation easements and to restore and enhance wildlife habitat on public lands and easements in Washington County as follows: \$968,000 is to Washington County and \$3,320,000 is to Minnesota Land Trust, of which up to \$288,000 to Minnesota Land Trust is to establish monitoring and enforcement funds as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed permanent conservation easements, restorations, and enhancements must be provided as part of the required accomplishment plan.

(j) Metro Big Rivers, Phase XII

\$8,200,000 the second year is to the commissioner of natural resources for agreements to acquire land in fee and permanent conservation easements and to restore and enhance natural habitat systems associated with the Mississippi, Minnesota, and St. Croix Rivers and their tributaries within the metropolitan area as follows: \$1,100,000 to Minnesota Valley National Wildlife Refuge Trust, Inc.; \$643,000 to Friends of the Mississippi River; \$742,000 to Great River Greening; \$2,927,000 to Trust for Public Land; and \$2,788,000 to Minnesota Land Trust, of which up to \$216,000 to

Minnesota Land Trust is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed land acquisitions and permanent conservation easements must be provided as part of the required accomplishment plan.

(k) St. Croix Watershed Habitat Protection and Restoration, Phase III

\$3,704,000 the second year is to the commissioner of natural resources for agreements as follows: (1) \$1,449,000 to The Trust for Public Land to acquire land in fee; (2) \$2,160,000 to Minnesota Land Trust to acquire permanent conservation easements and to restore and enhance natural habitat systems in the St. Croix River watershed. Of this amount, up to \$192,000 to Minnesota Land Trust is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17; and (3) \$95,000 to the Wild Rivers Conservancy to coordinate and administer the program under this paragraph. A list of proposed land acquisitions and permanent conservation easements must be provided as part of the required accomplishment plan.

(l) Fisheries Habitat Protection on Strategic North Central Minnesota Lakes, Phase VIII

\$4,536,000 the second year is to the commissioner of natural resources for agreements to acquire land in fee and permanent conservation easements and to restore and enhance wildlife habitat to sustain healthy fish habitat on coldwater lakes in Aitkin, Cass, Crow Wing, and Hubbard Counties as follows: \$1,853,000 to Northern Waters Land Trust; and \$2,683,000 to Minnesota Land Trust, of which up to \$216,000 to Minnesota Land Trust is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of acquisitions must be provided as part of the required accomplishment plan.

(m) Sauk River Watershed Habitat Protection and Restoration, Phase IV

\$4,091,000 the second year is to the commissioner of natural resources for agreements to acquire lands in fee and permanent conservation easements and restore and enhance wildlife habitat in the Sauk River watershed as follows: \$1,601,000 to Sauk River Watershed District; \$1,245,000 to Pheasants Forever; and \$1,245,000 to Minnesota Land Trust. Up to \$192,000 to Minnesota Land Trust is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of acquisitions must be provided as part of the required accomplishment plan.

(n) DNR Aquatic Habitat Restoration and Enhancement, Phase V

\$5,177,000 the second year is to the commissioner of natural resources to restore and enhance aquatic habitat in degraded streams and aquatic management areas and to facilitate fish passage. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

(o) Klondike Clean Water Retention Project, Phase II

\$988,000 the second year is to the commissioner of natural resources for an agreement with Two Rivers Watershed District to construct a multipurpose water impoundment project in Kittson and Roseau Counties to provide fish and wildlife habitat. A list of restoration and enhancement projects must be provided as part of the required accomplishment plan.

(p) Buffalo River Watershed Stream Habitat Program, Phase II

\$2,407,000 the second year is to the commissioner of natural resources for an agreement with the Buffalo-Red River Watershed District to restore and enhance aquatic and upland habitat associated with the Buffalo River and tributaries in the Buffalo River watershed. A list of proposed restorations and enhancements must be provided as part of the required accomplishment plan.

(q) St. Louis River Restoration Initiative, Phase IX

\$4,916,000 the second year is to the commissioner of natural resources to restore and enhance priority aquatic, riparian, and forest habitats in the St. Louis River estuary. Of this amount, up to \$964,000 is for an agreement with Minnesota Land Trust. A list of proposed restorations must be provided as part of the required accomplishment plan.

(r) DNR Fish Passage Enhancement through Targeted Culvert Replacement, Phase I

\$852,000 the second year is to the commissioner of natural resources to restore and enhance fish passage in coldwater streams through targeted culvert replacement in Lake County. A list of proposed restorations and enhancements must be provided as part of the required accomplishment plan.

(s) Restoring and Enhancing Minnesota's Important Bird Areas, Phase III

\$2,140,000 the second year is to the commissioner of natural resources for an agreement with Audubon Minnesota to restore and enhance wildlife habitat within important bird areas in northwestern Minnesota or *Minnesota Prairie Conservation Plan* priority areas. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

(t) Enhance Metro and North Shore Trout Stream Habitats

\$1,158,000 the second year is to the commissioner of natural resources for an agreement with Trout Unlimited to restore and enhance habitat for trout and other species in and along coldwater rivers, lakes, and streams in the metro, North Shore, and southeast regions of Minnesota. A list of proposed restorations and enhancements must be provided as part of the required accomplishment plan.

(u) Daylighting Phalen Creek

\$3,312,000 the second year is to the commissioner of natural resources for an agreement with the Lower Phalen Creek Project to restore and enhance priority aquatic and riparian habitats associated with Phalen Creek in St. Paul. A list of proposed restorations must be provided as part of the required accomplishment plan.

(v) Conservation Partners Legacy Grant Program: Statewide and Metro Habitat, Phase XIV

\$9,450,000 the second year is to the commissioner of natural resources for a program to provide competitive matching grants of up to \$500,000 to local, regional, state, and national organizations for enhancing, restoring, or protecting forests, wetlands, prairies, or habitat for fish, game, or wildlife in Minnesota. Of this amount, at least \$2,500,000 is for grants in the seven-county metropolitan area and cities with a population of 50,000 or greater. Grants must not be made for activities required to fulfill the duties of owners of lands subject to conservation easements. Grants must not be made from the appropriation in this paragraph for projects that have a total project cost exceeding \$1,000,000. Of the total appropriation, \$450,000 may be spent for personnel costs and other direct and necessary administrative costs. Grantees may acquire land or interests in land. Easements must be permanent. Grants may not be used to establish easement stewardship accounts. Land acquired in fee must be open to hunting and fishing during the open season unless otherwise provided by law. The program must require a match of at least ten percent from nonstate sources for all grants. The match may be cash or in-kind resources. For grant applications of \$25,000 or less, the commissioner must provide a separate, simplified application process. Subject to Minnesota Statutes, the commissioner of natural resources must, when evaluating projects of equal value, give priority to organizations that have a history of receiving, or a charter to receive, private contributions for local conservation or habitat projects. For grant requests to acquire land in fee or a conservation easement, the commissioner must give priority to projects associated with or within one mile of existing wildlife management areas under

Minnesota Statutes, section 86A.05, subdivision 8; scientific and natural areas under Minnesota Statutes, sections 84.033 and 86A.05, subdivision 5; or aquatic management areas under Minnesota Statutes, sections 86A.05, subdivision 14, and 97C.02. All restoration or enhancement projects must be on land permanently protected by a permanent covenant ensuring perpetual maintenance and protection of restored and enhanced habitat, by a conservation easement or public ownership, or in public waters as defined in Minnesota Statutes, section 103G.005, subdivision 15. Priority must be given to restoration and enhancement projects on public lands. Minnesota Statutes, section 97A.056, subdivision 13, applies to grants awarded under this paragraph. This appropriation is available until June 30, 2026. No less than five percent of the amount of each grant must be held back from reimbursement until the grant recipient has completed a grant accomplishment report by the deadline and in the form prescribed by and satisfactory to the Lessard-Sams Outdoor Heritage Council. The commissioner must provide notice of the grant program in the summary of game and fish law prepared under Minnesota Statutes, section 97A.051, subdivision 2.

Subd. 6. Administration

-0-

623,000

(a) Contract Management

\$300,000 the second year is to the commissioner of natural resources for contract management duties assigned in this section. The commissioner must provide an accomplishment plan in the form specified by the Lessard-Sams Outdoor Heritage Council on expending this appropriation. The accomplishment plan must include a copy of the grant contract template and reimbursement manual. No money may be expended before the Lessard-Sams Outdoor Heritage Council approves the accomplishment plan.

(b) Technical Evaluation Panel

\$200,000 the second year is to the commissioner of natural resources for a technical evaluation panel to conduct up to 25 restoration and enhancement evaluations under Minnesota Statutes, section 97A.056, subdivision 10.

(c) Initial Development Plan Coordinator

\$123,000 the second year is to the commissioner of natural resources for an initial development plan coordinator position to coordinate, manage, and report on the initial development, restoration, and enhancement of fee title acquisitions in wildlife management areas and aquatic management areas that were acquired with money from the outdoor heritage fund.

Subd. 7. Availability of Appropriation

(a) Money appropriated in this section may not be spent on activities unless they are directly related to and necessary for a specific appropriation and are specified in the accomplishment plan approved by the Lessard-Sams Outdoor Heritage Council. Money appropriated in this section must not be spent on indirect costs or other institutional overhead charges that are not directly related to and necessary for a specific appropriation. Money appropriated to acquire land in fee may be used to restore, enhance, and provide for public use of the land acquired with the appropriation. Public-use facilities must have a minimal impact on habitat in acquired lands.

(b) Money appropriated in this section is available as follows:

(1) money appropriated for acquiring real property is available until June 30, 2026;

(2) money appropriated for restoring and enhancing land acquired with an appropriation in this article is available for four years after the acquisition date with a maximum end date of June 30, 2030;

(3) money appropriated for restoring or enhancing other land is available until June 30, 2027;

(4) notwithstanding clauses (1) to (3), money appropriated for a project that receives at least 15 percent of its funding from federal funds is available until a date sufficient to match the availability of federal funding to a maximum of six years if the federal funding was confirmed and included in the original approved draft accomplishment plan; and

(5) money appropriated for other projects is available until the end of the fiscal year in which it is appropriated.

Subd. 8. Payment Conditions and Capital Equipment Expenditures

All agreements referred to in this section must be administered on a reimbursement basis unless otherwise provided in this section. Notwithstanding Minnesota Statutes, section 16A.41, expenditures directly related to each appropriation's purpose made on or after July 1, 2022, or the date of accomplishment plan approval, whichever is later, are eligible for reimbursement unless otherwise provided in this section. For the purposes of administering appropriations and legislatively authorized agreements paid out of the outdoor heritage fund, an expense must be considered reimbursable by the administering agency when the recipient presents the agency with an invoice or binding agreement with the landowner and the recipient attests that the goods have been

received or the landowner agreement is binding. Periodic reimbursement must be made upon receiving documentation that the items articulated in the accomplishment plan approved by the Lessard-Sams Outdoor Heritage Council have been achieved, including partial achievements as evidenced by progress reports approved by the Lessard-Sams Outdoor Heritage Council. Reasonable amounts may be advanced to projects to accommodate cash flow needs, support future management of acquired lands, or match a federal share. The advances must be approved as part of the accomplishment plan. Capital equipment expenditures for specific items in excess of \$10,000 must be itemized in and approved as part of the accomplishment plan.

Subd. 9. Mapping

Each direct recipient of money appropriated in this section, as well as each recipient of a grant awarded pursuant to this section, must provide geographic information to the Lessard-Sams Outdoor Heritage Council for mapping of any lands acquired in fee with funds appropriated in this section and open to the public taking of fish and game. The commissioner of natural resources must include the lands acquired in fee with money appropriated in this section on maps showing public recreation opportunities. Maps must include information on and acknowledgment of the outdoor heritage fund, including a notation of any restrictions.

Subd. 10. Carryforwards

(a) The availability of the appropriation for Laws 2018, chapter 208, section 2, subdivision 5, paragraph (n), for Buffalo River Watershed Stream Habitat Program, is extended to June 30, 2023.

(b) The availability of the appropriation for Laws 2017, chapter 91, article 1, section 2, subdivision 3, paragraph (a), for Carnelian Creek Conservation Corridor, is extended to June 30, 2025.

EFFECTIVE DATE. Subdivision 10 is effective the day following final enactment.

ARTICLE 2
CLEAN WATER FUND

Section 1. **CLEAN WATER FUND APPROPRIATIONS.**

Subdivision 1. Department of Agriculture. (a) \$2,000,000 in fiscal year 2023 is appropriated from the clean water fund to the commissioner of agriculture to monitor trout streams in southeastern Minnesota for the presence of neonicotinoids.

(b) The commissioner of agriculture must monitor and test for microplastics and nanoplastics as part of the monitoring and testing work funded under Laws 2021, First Special Session chapter 1, article 2, section 3, paragraphs (a) and (i).

Subd. 2. **Pollution Control Agency.** (a) \$2,000,000 in fiscal year 2023 is appropriated from the clean water fund to the commissioner of the Pollution Control Agency to monitor tributaries, including trout streams, near the shores of Lake Superior for perfluoroalkyl and polyfluoroalkyl substances.

(b) \$2,000,000 in fiscal year 2023 is appropriated from the clean water fund to the commissioner of the Pollution Control Agency for enhanced monitoring of private wells in Washington County for perfluoroalkyl and polyfluoroalkyl substances.

(c) \$2,000,000 in fiscal year 2023 is appropriated from the clean water fund to the commissioner of the Pollution Control Agency to monitor the Mississippi River for metals, perfluoroalkyl and polyfluoroalkyl substances, and other contaminants detected in Pig's Eye Lake.

(d) \$400,000 in fiscal year 2023 is appropriated from the clean water fund to the commissioner of the Pollution Control Agency to monitor groundwater and surface waters in the Battle Creek Watershed for perfluoroalkyl and polyfluoroalkyl substances.

(e) \$2,000,000 in fiscal year 2023 is appropriated from the clean water fund to the commissioner of the Pollution Control Agency to collect lead sinkers and other activities to improve water quality as part of the Get the Lead Out program.

(f) \$5,000,000 in fiscal year 2023 is appropriated from the clean water fund to the commissioner of the Pollution Control Agency to develop protocols to be used by agencies and departments for sampling and testing groundwater, surface water, public drinking water, and private wells for microplastics and nanoplastics and to begin implementation. The commissioner of the Pollution Control Agency may transfer money appropriated under this paragraph to the commissioners of agriculture, natural resources, and health to implement the protocols developed under this paragraph and for the testing, monitoring, and assessment required under this section.

(g) The commissioner of the Pollution Control Agency must monitor and assess for microplastics and nanoplastics as part of the monitoring and assessment work funded under Laws 2021, First Special Session chapter 1, article 2, section 4, paragraphs (a) and (c).

(h) For the purposes of this section:

(1) "microplastics" means small pieces of plastic debris in the environment that result from the disposal and breakdown of consumer products and industrial waste and that are less than five millimeters in length;

(2) "nanoplastics" means particles with a size ranging from one to 1,000 nanometers that are unintentionally produced from the manufacture or degradation of plastic objects and that exhibit a colloidal behavior; and

(3) "plastic" means an organic or petroleum derivative synthetic or a semisynthetic organic solid that is moldable and to which additives or other substances may have been added. Plastic does not include natural polymers that have not been chemically modified.

Subd. 3. **Department of Natural Resources.** (a) \$402,000 in fiscal year 2023 is appropriated from the clean water fund to the commissioner of natural resources to prepare a report on Minnesota's peatlands in cooperation with the Board of Water and Soil Resources. Of this amount, \$45,000 is transferred to the commissioner of the Pollution Control Agency and \$31,000 is transferred to the Board of Water and Soil Resources. The report must:

(1) include an assessment of the current state of Minnesota's peatlands;

(2) identify current threats and efforts to protect and restore the state's peatlands;

(3) include an assessment of the level of peat extraction in the state;

(4) provide an estimate of the carbon storage provided by the state's peatlands;

(5) include recommendations for steps the state could take to further protect and restore peatlands; and

(6) be submitted to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over environment and natural resources by January 15, 2023.

(b) \$500,000 in fiscal year 2023 is appropriated from the clean water fund to the commissioner of natural resources for a grant to Conservation Corps Minnesota for restoration and enhancement activities to improve water quality, including stream bank stabilization.

(c) The commissioner of natural resources must assess for microplastics and nanoplastics as part of the assessment work funded under Laws 2021, First Special Session chapter 1, article 2, section 5, paragraphs (b) and (c).

Subd. 4. **Board of Water and Soil Resources.** (a) \$7,665,000 in fiscal year 2023 is appropriated from the clean water fund to the Board of Water and Soil Resources to purchase and restore permanent conservation sites via easements or contracts to treat and store water on the land for water quality improvement purposes and related technical assistance. Minnesota Statutes, section 103F.515, applies to this program. The board must give priority to leveraging federal money by enrolling targeted new lands or enrolling environmentally sensitive lands that have expiring federal conservation agreements. The board may enter into new agreements and amend past agreements with landowners as required by Minnesota Statutes, section 103F.515, subdivision 5, to allow for restoration. Up to \$436,000 is for deposit in a monitoring and enforcement account.

(b) \$7,665,000 in fiscal year 2023 is appropriated from the clean water fund to the Board of Water and Soil Resources to purchase and restore peatlands via easements or contracts to treat and store water on the land for water quality improvement purposes and related technical assistance. Minnesota Statutes, section 103F.515, applies to this program. The board must give priority to leveraging federal money by enrolling targeted new lands or enrolling environmentally sensitive lands that have expiring federal conservation agreements. The board may enter into new agreements and amend past agreements with landowners as required by Minnesota Statutes, section 103F.515, subdivision 5, to allow for restoration. Up to \$436,000 is for deposit in a monitoring and enforcement account.

Subd. 5. **Metropolitan Council.** \$7,665,000 in fiscal year 2023 is appropriated from the clean water fund to the Metropolitan Council for grants to cities and other public water suppliers to replace the privately owned portion of residential lead drinking water service lines. Grants from this appropriation must first be used to supplement any federal money provided to the state as principal forgiveness or grants under Public Law 117-58, the Infrastructure Investment and Jobs Act, to cover 100 percent of the cost to replace privately owned residential lead service lines.

Subd. 6. **University of Minnesota.** \$437,000 in fiscal year 2023 is appropriated from the clean water fund to the Board of Regents of the University of Minnesota to optimize detection methods, determine environmental occurrence, and evaluate the risk to Minnesota's fish populations of the toxic tire-derived chemical 6PPDq.

Subd. 7. **Public Facilities Authority.** \$7,665,000 in fiscal year 2023 is appropriated from the clean water fund to the Public Facilities Authority for grants to cities and other public water suppliers to replace the privately owned portion of residential lead drinking water service lines. Grants from this appropriation must first be used to supplement any federal money provided to the state as principal forgiveness or grants under Public Law 117-58, the Infrastructure Investment and Jobs Act, to cover 100 percent of the cost to replace privately owned residential lead service lines.

Subd. 8. **Availability and other requirements.** All appropriations in this section are onetime and are subject to the requirements and availability provisions provided under Laws 2021, First Special Session chapter 1, article 2.

Sec. 2. Minnesota Statutes 2020, section 114D.30, subdivision 2, is amended to read:

Subd. 2. **Membership; appointment.** (a) The commissioners of natural resources, agriculture, health, and the Pollution Control Agency, the executive director of the Board of Water and Soil Resources, the Board of Regents of the University of Minnesota, and the Metropolitan Council shall each appoint one person from their respective entity to serve as a nonvoting member of the council. Two members of the house of representatives, including one member from the majority party and one member from the minority party, appointed by the speaker and two senators, including one member from the majority party and one member from the minority party, appointed according to the rules of the senate shall serve at the pleasure of the appointing authority as ~~nonvoting~~ voting members of the council. ~~Members appointed under this paragraph serve as nonvoting members of the council.~~

(b) Seventeen voting members of the council shall be appointed by the governor as follows:

- (1) two members representing statewide farm organizations;
- (2) two members representing business organizations;
- (3) two members representing environmental organizations;
- (4) one member representing soil and water conservation districts;
- (5) one member representing watershed districts;
- (6) one member representing nonprofit organizations focused on improvement of Minnesota lakes or streams;
- (7) two members representing organizations of county governments, one member representing the interests of rural counties and one member representing the interests of counties in the seven-county metropolitan area;
- (8) two members representing organizations of city governments;
- (9) one member representing township officers;
- (10) one member representing the interests of tribal governments;
- (11) one member representing statewide hunting organizations; and
- (12) one member representing statewide fishing organizations.

Members appointed under this paragraph must not be registered lobbyists or legislators. In making appointments, the governor must attempt to provide for geographic balance. The members of the council appointed by the governor are subject to the advice and consent of the senate.

Sec. 3. Minnesota Statutes 2020, section 114D.30, subdivision 7, is amended to read:

Subd. 7. **Biennial Report to legislature.** By ~~December 1~~ January 15 each ~~even-numbered~~ year, the council ~~shall~~ must submit a report to the legislature on the activities for which money has been or will be spent for the current ~~biennium~~ fiscal year, the activities for which money is recommended to be spent in the next ~~biennium~~ fiscal year, and the impact on economic development of the implementation of efforts to protect and restore groundwater

and the impaired waters program. ~~The report due on December 1, 2014, must include an evaluation of the progress made through June 30, 2014, in implementing this chapter and the provisions of article XI, section 15, of the Minnesota Constitution relating to clean water, the need for funding of future implementation, and recommendations for the sources of funding.~~

Sec. 4. **VOYAGEURS NATIONAL PARK GRANT; EXTENSION.**

The portion of the appropriation from the clean water fund in Laws 2017, chapter 91, article 2, section 5, paragraph (i), granted to St. Louis County for the Ash River sanitary sewer collection and treatment facility planning project is available until June 30, 2023.

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

ARTICLE 3
PARKS AND TRAILS FUND

Section 1. Laws 2021, First Special Session chapter 1, article 3, section 2, subdivision 1, is amended to read:

Subdivision 1. Total Appropriation	\$54,797,000	\$ 55,884,000 <u>62,431,000</u>
---	---------------------	---

The amounts that may be spent for each purpose are specified in the following sections.

Sec. 2. Laws 2021, First Special Session chapter 1, article 3, section 3, is amended to read:

Sec. 3. DEPARTMENT OF NATURAL RESOURCES	\$33,081,000	\$ 33,735,000 <u>37,687,000</u>
--	---------------------	---

(a) \$21,712,000 the first year and ~~\$22,149,000~~ \$24,743,000 the second year are for state parks, recreation areas, and trails to:

- (1) connect people to the outdoors;
- (2) acquire land and create opportunities;
- (3) maintain existing holdings; and
- (4) improve cooperation by coordinating with partners to implement the 25-year long-range parks and trails legacy plan.

(b) \$10,857,000 the first year and ~~\$11,074,000~~ \$12,371,000 the second year are for grants for parks and trails of regional significance outside the seven-county metropolitan area under Minnesota Statutes, section 85.535. The grants awarded under this paragraph must be based on the lists of recommended projects submitted to the legislative committees under Minnesota Statutes, section 85.536, subdivision 10, from the Greater Minnesota Regional Parks and Trails Commission established under Minnesota Statutes, section 85.536. Grants funded under this

paragraph must support parks and trails of regional or statewide significance that meet the applicable definitions and criteria for regional parks and trails contained in the Greater Minnesota Regional Parks and Trails Strategic Plan adopted by the Greater Minnesota Regional Parks and Trails Commission on April 22, 2015. Grant recipients identified under this paragraph must submit a grant application to the commissioner of natural resources. Up to 2.5 percent of the appropriation may be used by the commissioner for the actual cost of issuing and monitoring the grants for the commission. Of the amount appropriated, \$456,000 the first year and ~~\$456,000~~ \$483,000 the second year are for the Greater Minnesota Regional Parks and Trails Commission to carry out its duties under Minnesota Statutes, section 85.536, including the continued development of a statewide system plan for regional parks and trails outside the seven-county metropolitan area.

(c) By January 15, 2022, the Greater Minnesota Regional Parks and Trails Commission must submit a list of projects that contains the commission's recommendations for funding from the parks and trails fund for fiscal year 2023 to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over the environment and natural resources and the parks and trails fund.

(d) By January 15, 2022, the Greater Minnesota Regional Parks and Trails Commission must submit a report that contains the commission's criteria for funding from the parks and trails fund, including the criteria used to determine if a park or trail is of regional significance, to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over the environment and natural resources and the parks and trails fund.

(e) \$512,000 the first year and ~~\$512,000~~ \$573,000 the second year are for coordination and projects between the department, the Metropolitan Council, and the Greater Minnesota Regional Parks and Trails Commission; enhanced web-based information for park and trail users; and support of activities of the Parks and Trails Legacy Advisory Committee.

(f) The commissioner must contract for services with Conservation Corps Minnesota for restoration, maintenance, and other activities under this section for at least \$850,000 the first year and \$850,000 the second year.

(g) Grant recipients of an appropriation under this section must give consideration to contracting with Conservation Corps Minnesota for restoration, maintenance, and other activities.

Sec. 3. Laws 2021, First Special Session chapter 1, article 3, section 4, is amended to read:

Sec. 4. METROPOLITAN COUNCIL	\$21,712,000	\$ 22,149,000
		<u>24,743,000</u>

(a) \$21,712,000 the first year and ~~\$22,149,000~~ \$24,743,000 the second year are for distribution according to Minnesota Statutes, section 85.53, subdivision 3.

(b) Money appropriated under this section and distributed to implementing agencies must be used only to fund the list of projects approved by the elected representatives of each of the metropolitan parks implementing agencies. Projects funded by the money appropriated under this section must be substantially consistent with the project descriptions and dollar amounts approved by each elected body. Any money remaining after completing the listed projects may be spent by the implementing agencies on projects to support parks and trails.

(c) Grant agreements entered into by the Metropolitan Council and recipients of money appropriated under this section must ensure that the money is used to supplement and not substitute for traditional sources of funding.

(d) The implementing agencies receiving appropriations under this section must give consideration to contracting with Conservation Corps Minnesota for restoration, maintenance, and other activities.

Sec. 4. Laws 2021, First Special Session chapter 1, article 3, section 7, is amended to read:

Sec. 7. **COORDINATION AND PROJECTS; EXTENSION.**

The portion of the appropriation in Laws 2017, chapter 91, article 3, section 3, paragraph (e), from the parks and trails fund for coordination and projects between the department, the Metropolitan Council, and the Greater Minnesota Regional Parks and Trails Commission; enhanced web-based information for park and trail users; and support of activities of the Parks and Trails Legacy Advisory Committee is available until June 30, ~~2022~~ 2024.

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

Sec. 5. **PARKS AND TRAILS COORDINATION; EXTENSION.**

The appropriation in Laws 2019, First Special Session chapter 2, article 3, section 3, paragraph (e), from the parks and trails fund for coordination and projects between the Department of Natural Resources, the Metropolitan Council, and the Greater Minnesota Regional Parks and Trails Commission; enhanced web-based information for park and trail users; and support of activities of the Parks and Trails Legacy Advisory Committee is available until June 30, 2024.

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

Sec. 6. **CITY OF CROOKSTON GRANT; EXTENSION.**

The availability of the grant to the city of Crookston for the Central Park project from the fiscal year 2020 parks and trails fund appropriation under Laws 2019, First Special Session chapter 2, article 3, section 3, paragraph (b), is extended to June 30, 2024.

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

ARTICLE 4
ARTS AND CULTURAL HERITAGE FUND

Section 1. Laws 2019, First Special Session chapter 2, article 4, section 2, subdivision 4, is amended to read:

Subd. 4. Minnesota Historical Society	15,572,000	17,383,000
--	------------	------------

(a) These amounts are appropriated to the governing board of the Minnesota Historical Society to preserve and enhance access to Minnesota's history and its cultural and historical resources. Grant agreements entered into by the Minnesota Historical Society and other recipients of appropriations in this subdivision must ensure that these funds are used to supplement and not substitute for traditional sources of funding. Funds directly appropriated to the Minnesota Historical Society must be used to supplement and not substitute for traditional sources of funding. Notwithstanding Minnesota Statutes, section 16A.28, for historic preservation projects that improve historic structures, the amounts are available until June 30, 2023. The Minnesota Historical Society or grant recipients of the Minnesota Historical Society using arts and cultural heritage funds under this subdivision must give consideration to Conservation Corps Minnesota and Northern Bedrock Historic Preservation Corps, or an organization carrying out similar work, for projects with the potential to need historic preservation services. Notwithstanding Minnesota Statutes, section 16A.28, or any other law to the contrary, the availability of any appropriation or grant of money from this subdivision that would not otherwise cancel, lapse, or expire on or before June 20, 2022, is extended to June 30, 2023.

(b) **Historical Grants and Programs**

(1) Statewide Historic and Cultural Grants

\$5,846,000 in fiscal year 2020 and \$7,004,000 in fiscal year 2021 are for statewide historic and cultural grants to local, county, regional, or other historical or cultural organizations or for activities to preserve significant historic and cultural resources. Money must be distributed through a competitive grant process. The Minnesota Historical Society must administer the money using established grant mechanisms, with assistance from the advisory committee created under Laws 2009, chapter 172, article 4, section 2, subdivision 4, paragraph (b), item (ii).

(2) Statewide History Programs

\$5,846,000 in fiscal year 2020 and \$7,004,000 in fiscal year 2021 are for historic and cultural programs and purposes related to the heritage of the state. Of this amount, \$250,000 each year must be used by the Minnesota Historical Society to either produce or purchase and to distribute a book to engage and educate elementary school students on Minnesota's natural resources, legacy, culture, and history. The book should be made available for free to educators and libraries and through state historical society sites to provide to a targeted grade of elementary school students.

(3) History Partnerships

\$2,500,000 each year is for history partnerships involving multiple organizations, which may include the Minnesota Historical Society, to preserve and enhance access to Minnesota's history and cultural heritage in all regions of the state.

(4) Statewide Survey of Historical and Archaeological Sites

\$500,000 in fiscal year 2020 and \$500,000 in fiscal year 2021 are for one or more contracts to be competitively awarded to conduct statewide surveys or investigations of Minnesota's sites of historical, archaeological, and cultural significance. Results of the surveys or investigations must be published in a searchable form and available to the public on a cost-free basis. The Minnesota Historical Society, the Office of the State Archaeologist, the Indian Affairs Council, and the State Historic Preservation Office must each appoint a representative to an oversight board to select contractors and direct the conduct of the surveys or investigations. The oversight board must consult with the Department of Transportation and Department of Natural Resources.

(5) Digital Library

\$375,000 in fiscal year 2020 and \$375,000 in fiscal year 2021 are for a digital library project to preserve, digitize, and share Minnesota images, documents, and historical materials. The Minnesota Historical Society must cooperate with the Minitex interlibrary loan system and must jointly share this appropriation for these purposes.

(6) Grants

\$200,000 the first year is for a grant to the Minnesota Military Museum to create and conduct a statewide story-sharing program to honor the distinct service of post-9/11 veterans in anticipation of the 2021 anniversary.

\$115,000 the first year is for a grant to the Minnesota Military Museum to care for, catalog, and display the recently acquired collection of the personal and professional effects belonging to General John W. Vessey, Minnesota's most decorated veteran.

\$40,000 the first year is for a grant to the Isanti County Historical Society to relocate, update, and preserve the Moody School and the Grandy Union Church.

\$150,000 the first year is for a grant to the commissioner of natural resources to maintain the history of the Grindstone River Dam at Hinckley.

Any unencumbered balance remaining under this subdivision the first year does not cancel but is available the second year.

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

Sec. 2. Laws 2021, First Special Session chapter 1, article 4, section 2, is amended to read:

Sec. 2. **ARTS AND CULTURAL HERITAGE**

Subdivision 1. **Total Appropriation**

\$73,132,000

~~\$ 76,617,000~~

88,713,000

The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. **Availability of Appropriation**

Money appropriated in this article must not be spent on activities unless they are directly related to and necessary for a specific appropriation. Money appropriated in this article must not be spent on institutional overhead charges that are not directly related to and necessary for a specific appropriation. Money appropriated in this article must be spent in accordance with Minnesota Management and Budget *MMB Guidance to Agencies on Legacy Fund Expenditure*. Notwithstanding Minnesota Statutes, section 16A.28, and unless otherwise specified in this article, fiscal year 2022 appropriations are available until June 30, 2023, and fiscal year 2023 appropriations are available until June 30, 2024. If a project receives federal funds, the period of the appropriation is extended to equal the availability of federal funding.

Subd. 3. **Minnesota State Arts Board**

34,372,000

~~36,010,000~~

41,695,000

(a) The amounts in this subdivision are appropriated to the Minnesota State Arts Board for arts, arts education, arts preservation, and arts access. Grant agreements entered into by the

Minnesota State Arts Board and other recipients of appropriations in this subdivision must ensure that these funds are used to supplement and not substitute for traditional sources of funding. Each grant program established in this appropriation must be separately administered from other state appropriations for program planning and outcome measurements, but may take into consideration other state resources awarded in the selection of applicants and grant award size.

(b) Arts and Arts Access Initiatives

\$27,497,000 the first year and ~~\$28,808,000~~ \$33,356,000 the second year are to support Minnesota artists and arts organizations in creating, producing, and presenting high-quality arts activities; to preserve, maintain, and interpret art forms and works of art so that they are accessible to Minnesota audiences; to overcome barriers to accessing high-quality arts activities; and to instill the arts into the community and public life in this state.

(c) Arts Education

\$5,156,000 the first year and ~~\$5,401,000~~ \$6,254,000 the second year are for high-quality, age-appropriate arts education for Minnesotans of all ages to develop knowledge, skills, and understanding of the arts.

(d) Arts and Cultural Heritage

\$1,719,000 the first year and ~~\$1,801,000~~ \$2,085,000 the second year are for events and activities that represent, preserve, and maintain the diverse cultural arts traditions, including folk and traditional artists and art organizations, represented in this state.

(e) Up to 4.5 percent of the funds appropriated in paragraphs (b) to (d) may be used by the board for administering grant programs, delivering technical services, providing fiscal oversight for the statewide system, and ensuring accountability in fiscal year 2022 and fiscal year 2023.

(f) Up to 30 percent of the remaining total appropriation to each of the categories listed in paragraphs (b) to (d) is for grants to the regional arts councils. Notwithstanding any other provision of law, regional arts council grants or other arts council grants for touring programs, projects, or exhibits must ensure the programs, projects, or exhibits are able to tour in their own region as well as all other regions of the state.

(g) Any unencumbered balance remaining under this subdivision the first year does not cancel but is available the second year.

Subd. 4. **Minnesota Historical Society**

15,588,000

~~17,497,000~~
20,169,000

(a) The amounts in this subdivision are appropriated to the governing board of the Minnesota Historical Society to preserve and enhance access to Minnesota's history and its cultural and historical resources. Grant agreements entered into by the Minnesota Historical Society and other recipients of appropriations in this subdivision must ensure that these funds are used to supplement and not substitute for traditional sources of funding. Funds directly appropriated to the Minnesota Historical Society must be used to supplement and not substitute for traditional sources of funding. Notwithstanding Minnesota Statutes, section 16A.28, for historic preservation projects that improve historic structures, the amounts are available until June 30, 2025. The Minnesota Historical Society or grant recipients of the Minnesota Historical Society using arts and cultural heritage funds under this subdivision must give consideration to Conservation Corps Minnesota and Northern Bedrock Historic Preservation Corps, or an organization carrying out similar work, for projects with the potential to need historic preservation services.

(b) Historical Grants and Programs**(1) Statewide Historic and Cultural Grants**

\$5,982,000 the first year and ~~\$7,000,000~~ \$8,049,000 the second year are for statewide historic and cultural grants to local, county, regional, or other historical or cultural organizations or for activities to preserve significant historic and cultural resources. Money must be distributed through a competitive grant process. The Minnesota Historical Society must administer the money using established grant mechanisms, with assistance from the advisory committee created under Laws 2009, chapter 172, article 4, section 2, subdivision 4, paragraph (b), item (ii).

(2) Statewide History Programs

\$6,213,000 the first year and ~~\$6,990,000~~ \$8,056,000 the second year are for historic and cultural programs and purposes related to the heritage of the state. Of this amount, \$213,000 the first year must be used by the Board of Directors of the Minnesota Historical Society to either produce or purchase and distribute a book to engage and educate elementary school students on Minnesota's natural resources, legacy, culture, and history. The book should be made available cost-free to educators and libraries and through state historical society sites to provide to a targeted grade of elementary school students.

(3) History Partnerships

\$2,450,000 the first year and ~~\$2,550,000~~ \$2,954,000 the second year are for history partnerships involving multiple organizations, which may include the Minnesota Historical Society, to preserve and enhance access to Minnesota's history and cultural heritage in all regions of the state.

(4) Statewide Survey of Historical and Archaeological Sites

\$475,000 the first year and ~~\$525,000~~ \$606,000 the second year are for one or more contracts to be competitively awarded to conduct statewide surveys or investigations of Minnesota's sites of historical, archaeological, and cultural significance. Results of the surveys or investigations must be published in a searchable form and available to the public cost-free. The Minnesota Historical Society, the Office of the State Archaeologist, the Indian Affairs Council, and the State Historic Preservation Office must each appoint a representative to an oversight board to select contractors and direct the conduct of the surveys or investigations. The oversight board must consult with the Department of Transportation and Department of Natural Resources.

(5) Digital Library

\$368,000 the first year and ~~\$382,000~~ \$443,000 the second year are for a digital library project to preserve, digitize, and share Minnesota images, documents, and historical materials. The Minnesota Historical Society must cooperate with the Minitex interlibrary loan system and must jointly share this appropriation for these purposes.

(6) Grants

(i) \$100,000 the first year ~~is~~ and \$8,000 the second year are for a grant to the Litchfield Opera House to restore and renovate the historic Litchfield Opera House.

(ii) ~~\$50,000~~ \$54,000 the second year is for a grant to the city of South St. Paul to relocate the gatehouses in the BridgePoint Business Park that remain from the Armour & Company meatpacking campus.

(c) **Balance Remaining**

Any unencumbered balance remaining under this subdivision the first year does not cancel but is available the second year.

Subd. 5. Department of Education

2,710,000

~~2,710,000~~
3,148,000

(a) \$2,500,000 the first year and ~~\$2,500,000~~ \$2,904,000 the second year are appropriated to the commissioner of education for grants to the 12 Minnesota regional library systems to provide educational opportunities in the arts, history, literary arts, and cultural heritage of Minnesota. This money must be allocated using the formulas in Minnesota Statutes, section 134.355, subdivisions 3, 4, and 5, with the remaining 25 percent to be distributed to all qualifying systems in an amount proportionate to the number of qualifying system entities in each system. For purposes of this subdivision, "qualifying system entity" means a public library, a regional library system, a regional library system headquarters, a county, or an outreach service program. This money may be used to sponsor programs provided by regional libraries or to provide grants to local arts and cultural heritage programs for programs in partnership with regional libraries. This money must be distributed in ten equal payments per year. Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered on or before June 30, 2023, as grants or contracts in this subdivision are available until June 30, 2025.

(b) \$110,000 ~~each the first year is and~~ \$128,000 the second year are appropriated to the commissioner of education for a water safety grant program. The commissioner of education must allocate grants to eligible applicants. Eligible applicants include nonprofit organizations and city and county parks and recreation programs providing swimming lessons to youth. Eligible applicants are not required to partner with other entities. Grant funds must primarily be used to provide scholarships to low-income and at-risk children for swimming lessons. Up to 15 percent of the grant funds may also be used to hire water safety instructors or lifeguards or train water safety instructors or lifeguards in nationally recognized water safety practices and instruction. This appropriation is available until June 30, 2023.

(c) \$100,000 ~~each the first year is and~~ \$116,000 the second year are appropriated to the commissioner of education for a grant to the entity designated by the Library of Congress as the Minnesota Center for the Book to provide statewide programming related to the Minnesota Book Awards and for additional programming throughout the state related to the Center for the Book designation.

Subd. 6. Department of Administration

11,383,000

~~11,225,000~~
13,051,000

(a) The amounts in this subdivision are appropriated to the commissioner of administration for grants to the named organizations for the purposes specified in this subdivision. The commissioner of administration may use a portion of this appropriation for costs that are directly related to and necessary for the administration of grants in this subdivision.

(b) Grant agreements entered into by the commissioner and recipients of appropriations under this subdivision must ensure that money appropriated in this subdivision is used to supplement and not substitute for traditional sources of funding.

(c) Minnesota Public Radio

\$1,950,000 the first year and ~~\$1,950,000~~ \$2,265,000 the second year are for Minnesota Public Radio to create programming and expand news service on Minnesota's cultural heritage and history.

(d) Association of Minnesota Public Educational Radio Stations

\$1,950,000 the first year and ~~\$1,950,000~~ \$2,265,000 the second year are to the Association of Minnesota Public Educational Radio Stations for production and acquisition grants in accordance with Minnesota Statutes, section 129D.19. Of this amount, \$200,000 the first year is for statewide programming to produce and distribute the Veterans' Voices program to educate and engage communities regarding Minnesota veterans' contributions, knowledge, skills, and experiences with an emphasis on the untold stories of veterans from diverse communities. The funds are available until June 30, 2023.

(e) Public Television

\$4,460,000 the first year and ~~\$4,460,000~~ \$5,181,000 the second year are to the Minnesota Public Television Association for production and acquisition grants according to Minnesota Statutes, section 129D.18.

(f) Wilderness Inquiry

\$400,000 the first year and ~~\$400,000~~ \$465,000 the second year are to Wilderness Inquiry for the Canoemobile program, which provides students with an outdoor educational experience aligned with the Minnesota history graduation standards.

(g) Como Park Zoo

\$1,500,000 the first year and ~~\$1,500,000~~ \$1,742,000 the second year are for a grant to the Como Park Zoo and Conservatory for program development that features education programs and habitat enhancement, special exhibits, music appreciation programs, and historical garden access and preservation.

(h) Science Museum of Minnesota

\$700,000 the first year and ~~\$700,000~~ \$813,000 the second year are to the Science Museum of Minnesota for arts, arts education, and arts access and to preserve Minnesota's history and cultural heritage, including student and teacher outreach, statewide educational initiatives, and community-based exhibits that preserve Minnesota's history and cultural heritage.

(i) Appetite for Change

~~\$75,000 each~~ the first year is and \$87,000 the second year are to the nonprofit Appetite for Change for the Community Cooks programming, which will preserve the cultural heritage of growing and cooking food in Minnesota.

(j) Lake Superior Zoo

\$75,000 the first year and ~~\$75,000~~ \$87,000 the second year are to the Lake Superior Zoo to develop educational exhibits and programs.

(k) Midwest Outdoors Unlimited

\$25,000 the first year and ~~\$25,000~~ \$29,000 the second year are for a grant to Midwest Outdoors Unlimited to preserve Minnesota's outdoor history, culture, and heritage by connecting individuals and youth with disabilities to the state's natural resources.

(l) Veterans Memorial Grants

\$75,000 the first year and ~~\$75,000~~ \$87,000 the second year are for a competitive grants program to provide grants to local units of government for veterans memorials to preserve the culture and heritage of Minnesota. The local unit of government must provide a nonstate cash match equal to the amount of the grant received under this paragraph.

(m) Disabled Veterans Rest Camp

\$128,000 the first year ~~is~~ and \$10,000 the second year are for a grant to the Disabled Veterans Rest Camp on Big Marine Lake in Washington County for landscape improvements around the new cabins, including a retaining wall around a water drainage holding pond and security fencing with vehicle control gates along the entrance road.

(n) The TAP

\$15,000 the first year and ~~\$15,000~~ \$17,000 the second year are for a grant to The TAP in St. Paul to support mental health in disability communities through spoken art forms, community supports, and community engagement.

(o) Kasson WPA Restoration

\$30,000 the first year ~~is~~ and \$2,000 the second year are for a grant to the city of Kasson to restore the wall and pillars of the historical Works Progress Administration (WPA) project at Veterans Memorial Park.

Subd. 7. Minnesota Zoo	1,900,000	2,000,000
		<u>2,315,000</u>

The amounts in this subdivision are appropriated to the Minnesota Zoological Board for programs and development of the Minnesota Zoological Garden and to provide access and education related to programs on the cultural heritage of Minnesota.

Subd. 8. Minnesota Humanities Center	4,775,000	4,775,000
		<u>5,546,000</u>

(a) These amounts are appropriated to the Board of Directors of the Minnesota Humanities Center for the purposes specified in this subdivision. The Minnesota Humanities Center may use up to 4.5 percent of the following grants, and up to five percent of the appropriations specific to competitive grants programs, to cover the cost of administering, planning, evaluating, and reporting these grants. The Minnesota Humanities Center must develop a written plan to issue the grants under this subdivision and must submit the plan for review and approval by the commissioner of administration. The written plan must require the Minnesota Humanities Center to create and adhere to grant policies that are similar to those established according to Minnesota Statutes, section 16B.97, subdivision 4, paragraph (a), clause (1).

No grants awarded under this subdivision may be used for travel outside the state of Minnesota. The grant agreement must specify the repercussions for failing to comply with the grant agreement.

(b) Programs and Purposes

\$1,250,000 the first year and ~~\$1,250,000~~ \$1,452,000 the second year are for programs and purposes of the Minnesota Humanities Center.

(c) Children's Museum Grants

\$925,000 the first year and ~~\$925,000~~ \$1,074,000 the second year are for arts and cultural heritage grants to children's museums for arts and cultural exhibits and related educational outreach programs. Of this amount:

(1) \$375,000 the first year and ~~\$375,000~~ \$435,000 the second year are for the Minnesota Children's Museum for interactive exhibits and outreach programs on arts and cultural heritage; and

(2) \$550,000 ~~each the first year is~~ and \$639,000 the second year are for grants to other children's museums to be distributed through a competitive grant process for program development. The Minnesota Humanities Center must administer these funds using established mechanisms.

(d) Community Identity and Heritage Grant Program

\$2,500,000 the first year and ~~\$2,500,000~~ \$2,904,000 the second year are for a competitive grants program to provide grants to organizations or individuals working to create, celebrate, and teach the art, culture, and heritage of diverse Minnesota communities, including but not limited to Asian and Pacific Island communities, the Somali diaspora and other African immigrant communities, Indigenous communities with a focus on the 11 Tribes in Minnesota, the African American community, the Latinx community, and other underrepresented cultural groups, including communities of Black, Indigenous, and people of color, to celebrate the cultural diversity of Minnesota. An individual or organization that receives a grant under this paragraph must do at least one of the following:

- (1) preserve and honor the cultural heritage of Minnesota;
- (2) provide education and student outreach on cultural diversity;
- (3) support the development of culturally diverse humanities programming by individuals and organizations; or
- (4) empower communities in building identity and culture.

(e) Civics Programs

\$100,000 the first year and ~~\$100,000~~ \$116,000 the second year are for grants to the Minnesota Civic Education Coalition: Minnesota Civic Youth, the Learning Law and Democracy Foundation, and YMCA Youth in Government to conduct civics education programs for the civic and cultural development of Minnesota youth. Civics education is the study of constitutional principles and the democratic foundation of our national, state, and local institutions and the study of political processes and structures of government, grounded in the understanding of constitutional government under the rule of law.

Subd. 9. Indian Affairs Council

2,000,000

~~2,000,000~~
2,323,000

\$2,000,000 the first year and ~~\$2,000,000~~ \$2,323,000 the second year are appropriated to the Indian Affairs Council for grants for preserving Dakota and Ojibwe Indian languages and for protecting Indian graves. The money must be distributed as follows:

(1) \$700,000 the first year and ~~\$700,000~~ \$813,000 the second year are to provide grants to Minnesota Tribal Nations to preserve Dakota and Ojibwe Indian languages and to foster education programs and services for Dakota and Ojibwe languages;

(2) \$460,000 the first year and ~~\$460,000~~ \$534,000 the second year are for grants to Dakota and Ojibwe Indian language immersion educational institutions;

(3) \$700,000 the first year and ~~\$700,000~~ \$813,000 the second year are to provide grants to preserve the Dakota and Ojibwe Indian languages through support of projects and services and to support educational programs and immersion efforts in Dakota and Ojibwe Indian languages;

(4) \$50,000 the first year and ~~\$50,000~~ \$58,000 the second year are to the Indian Affairs Council for a Dakota and Ojibwe Indian language working group coordinated by the Indian Affairs Council; and

(5) \$90,000 the first year and ~~\$90,000~~ \$105,000 the second year are to carry out responsibilities under Minnesota Statutes, section 307.08, to comply with Public Law 101-601, the federal Native American Graves Protection and Repatriation Act.

Subd. 10. Department of Agriculture

400,000

~~400,000~~
465,000

These amounts are appropriated to the commissioner of agriculture for grants to county agricultural societies to enhance arts access and education and to preserve and promote Minnesota's history and cultural heritage as embodied in its county fairs. The grants must be distributed in equal amounts to each of the 95 county fairs. The grants are in addition to the aid distribution to county agricultural societies under Minnesota Statutes, section 38.02. The commissioner of agriculture must develop grant-making criteria and guidance for expending money under this subdivision to provide funding for projects and events that provide access to the arts or the state's agricultural, historical, and cultural heritage. The commissioner must seek input from all interested parties.

Subd. 11. **Legislative Coordinating Commission**

4,000

-0-

The amount in this subdivision is appropriated for the Legislative Coordinating Commission to maintain the website required under Minnesota Statutes, section 3.303, subdivision 10."

Delete the title and insert:

"A bill for an act relating to legacy; appropriating money from outdoor heritage fund, clean water fund, parks and trails fund, and arts and cultural heritage fund; modifying terms of Clean Water Council; modifying prior appropriations; amending Minnesota Statutes 2020, section 114D.30, subdivisions 2, 7; Laws 2019, First Special Session chapter 2, article 4, section 2, subdivision 4; Laws 2021, First Special Session chapter 1, article 3, sections 2, subdivision 1; 3; 4; 7; article 4, section 2."

With the recommendation that when so amended the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Liebling from the Committee on Health Finance and Policy to which was referred:

H. F. No. 3470, A bill for an act relating to health; adding a project to the hospital construction moratorium exception; amending Minnesota Statutes 2021 Supplement, section 144.551, subdivision 1.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Moran from the Committee on Ways and Means to which was referred:

H. F. No. 3560, A bill for an act relating to health; modifying requirements for specialty and guest dentist licensure; modifying requirements for display of and procedure for licenses and registration certificates; providing dental therapy licensure by credentials; modifying application and initial fees; providing civil penalties; amending Minnesota Statutes 2020, sections 150A.06, subdivisions 1c, 2c, 6, by adding a subdivision; 150A.09; 150A.091, subdivisions 2, 5, 8, 9, by adding subdivisions; repealing Minnesota Statutes 2020, section 150A.091, subdivisions 3, 15, 17.

Reported the same back with the following amendments:

Page 9, after line 9, insert:

"Sec. 12. **APPROPRIATION.**

\$3,000 in fiscal year 2023 is appropriated from the state government special revenue fund to the Board of Dentistry for costs related to administrative fines and new credential application processing."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the second semicolon, insert "appropriating money;"

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Moran from the Committee on Ways and Means to which was referred:

H. F. No. 3631, A bill for an act relating to health; modifying licensure requirements for the practice of medicine and acupuncture; strengthening forms of disciplinary action for physicians and physician's assistants; repealing professional corporation rules; amending Minnesota Statutes 2020, sections 147.03, subdivision 1; 147.037, subdivision 1; 147A.16; 147B.02, subdivision 7; Minnesota Statutes 2021 Supplement, section 147.141; repealing Minnesota Rules, parts 5610.0100; 5610.0200; 5610.0300.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Moran from the Committee on Ways and Means to which was referred:

H. F. No. 3765, A bill for an act relating to natural resources; appropriating money from environment and natural resources trust fund; providing extensions.

Reported the same back with the following amendments:

Page 2, line 7, delete "10,697,000" and insert "10,328,000"

Page 7, line 14, delete "\$492,000" and insert "\$123,000"

Page 21, line 13, delete "26,097,000" and insert "26,466,000"

Page 23, line 25, delete "\$7,018,000" and insert "\$7,387,000"

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Liebling from the Committee on Health Finance and Policy to which was referred:

H. F. No. 3786, A bill for an act relating to health care; modifying the definition of intractable pain; modifying the criteria for prescribing controlled substance for the treatment of intractable pain; amending Minnesota Statutes 2020, section 152.125.

Reported the same back with the following amendments:

Page 1, delete lines 10 and 11 and insert:

"(b) "Drug diversion" means the unlawful transfer of prescription drugs from their licit medical purpose to the illicit marketplace."

Page 2, delete lines 7 to 10 and insert:

"(d) "Palliative care" has the meaning provided in section 144A.75, subdivision 12."

Page 4, line 2, delete "or" and after "physician" insert a comma

Page 4, line 3, after "nurse" insert ", or physician assistant"

Page 4, line 21, after "must" insert "mutually agree to the treatment and"

Page 4, line 22, after "the" insert "prescriber's and the"

With the recommendation that when so amended the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Moran from the Committee on Ways and Means to which was referred:

H. F. No. 3805, A bill for an act relating to public safety; removing the sunset of the Capitol Area Security Advisory Committee; repealing Minnesota Statutes 2020, section 299E.04, subdivision 5.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Nelson, M., from the Committee on State Government Finance and Elections to which was referred:

H. F. No. 4017, A bill for an act relating to retirement; state auditor's volunteer fire relief association working group; simplifying maximum benefit levels, modifying certification of service credit process, modifying distributions to alternate payees pursuant to a domestic relations order, clarifying payment of supplemental benefits, and making conforming changes; amending Minnesota Statutes 2020, sections 424A.003; 424A.015, subdivision 2; 424A.05, subdivision 3, by adding a subdivision; Minnesota Statutes 2021 Supplement, sections 353G.11, subdivision 1; 424A.02, subdivisions 3, 3a; 424A.091, subdivision 3; 424A.093, subdivision 1; 424A.10, subdivision 2; 424B.10, subdivision 1b; 424B.13, subdivision 4; 424B.22, subdivision 4; repealing Minnesota Statutes 2021 Supplement, section 424A.02, subdivisions 2a, 2b, 2c.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1
MINNESOTA STATE RETIREMENT SYSTEM

Section 1. Minnesota Statutes 2020, section 352.27, is amended to read:

352.27 FEDERALLY PROTECTED PURCHASE OF SERVICE CREDIT FOR BREAK IN SERVICE TO PROVIDE UNIFORMED PERIODS OF MILITARY SERVICE.

(a) An employee who is absent from employment by reason of service in the uniformed services, as defined in United States Code, title 38, section 4303(13), and who returns to state service upon discharge from service in the uniformed service within the time frames required in United States Code, title 38, section 4312(e), may obtain

service credit for the period of the uniformed service as further specified in this section, provided that the employee did not separate from uniformed service with a dishonorable or bad conduct discharge or under other than honorable conditions.

(b) The employee may obtain credit by paying into the fund an equivalent employee contribution based upon the contribution rate or rates in effect at the time that the uniformed service was performed multiplied by the full and fractional years being purchased and applied to the annual salary rate. The annual salary rate is the average annual salary during the purchase period that the employee would have received if the employee had continued to be employed in covered employment rather than ~~to provide~~ having performed uniformed service, or, if the determination of that rate is not reasonably certain, the annual salary rate is the employee's average salary rate during the 12-month period of covered employment rendered immediately preceding the period of the uniformed service.

(c) The equivalent employer contribution and, if applicable, the equivalent additional employer contribution provided in this chapter must be paid by the department employing the employee from funds available to the department at the time and in the manner provided in this chapter, using the employer and additional employer contribution rate or rates in effect at the time that the uniformed service was performed, applied to the same annual salary rate or rates used to compute the equivalent employee contribution.

(d) If the employee equivalent contributions provided in this section are not paid in full, the employee's allowable service credit must be prorated by multiplying the full and fractional number of years of uniformed service eligible for purchase by the ratio obtained by dividing the total employee contribution received by the total employee contribution otherwise required under this section.

(e) To receive service credit under this section, the equivalent employee contributions specified in ~~this section~~ paragraph (b) must be transmitted to the Minnesota State Retirement System during the period which begins with the date on which the individual returns to state service and which has a duration of three times the length of the uniformed service period, but not to exceed five years. If the determined payment period is less than ~~one year~~ three years, the contributions required under ~~this section~~ paragraph (b) to receive service credit ~~may~~ must be made within ~~one year~~ three years of the discharge date.

(f) The amount of service credit obtainable under this section may not exceed five years unless a longer purchase period is required under United States Code, title 38, section 4312.

(g) The employing unit shall pay interest on all equivalent employee and employer contribution amounts payable under this section. Interest must be at the applicable annual rate or rates specified in section 356.59, subdivision 2, compounded annually, from the end of each fiscal year of the leave or the break in service to the end of the month in which the payment is received.

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

Sec. 2. [352.272] STATE-AUTHORIZED PURCHASE OF SERVICE CREDIT FOR PERIODS OF MILITARY SERVICE.

Subdivision 1. Service credit purchase authorized. (a) Unless prohibited under paragraph (b), an employee is eligible to purchase service credit, not to exceed five cumulative years of service credit, for one or more periods of service in the uniformed services, as defined in United States Code, title 38, section 4303(13), if:

(1) the employee has at least three years of service credit with the general state employees retirement plan or the correctional state employees retirement plan under this chapter;

(2) the duration of the employee's current period of employment is at least six months; and

(3) one of the following applies:

(i) the employee's service in the uniformed services occurred before becoming a state employee as defined in section 352.01, subdivision 2; or

(ii) the employee did not obtain service credit for a period of military service under section 352.27.

(b) A service credit purchase is prohibited if:

(1) the employee separated from uniformed service with a dishonorable or bad conduct discharge or under other than honorable conditions; or

(2) the employee has purchased or otherwise received service credit from any Minnesota public employee pension plan for the same period of service in the uniformed services.

(c) When purchasing a period of service, if the period of service in the uniformed services is one year or less, then the employee must purchase the full period of service. If the period of service in the uniformed services is longer than one year, the employee may purchase the full period, not to exceed five cumulative years, or may purchase a portion of the period of service. If the employee purchases a portion of the period of service in the uniformed services, the portion must:

(1) not be less than one year; and

(2) be in increments of six months of service.

Subd. 2. Application and documentation. To purchase service credit under subdivision 1, an employee must apply to the executive director to make the purchase. The application must include all necessary documentation of the employee's qualifications to make the purchase, signed written permission to allow the executive director to request and receive necessary verification of applicable facts and eligibility requirements, and any other relevant information that the executive director may require. The employee must submit with the application payment of the administrative fee in the amount of \$250 to cover the costs of calculating the purchase payment amount under section 356.551. If the employee proceeds with the purchase, the administrative fee will be credited toward the purchase payment amount.

Subd. 3. Purchase payment amount; service credit grant. (a) The purchase payment amount is the amount determined under section 356.551 for the period or periods of service requested, except that, for purposes of calculating the purchase payment amount to purchase service credit for service in the uniformed services that occurred before becoming a state employee or between periods of employment as a state employee, section 356.551, subdivision 2, paragraph (c), does not apply.

(b) Service credit must be granted by the applicable plan to the purchasing employee upon the executive director's receipt of the purchase payment amount. The service credit purchased under this section may not be used for the purpose of determining a disability benefit under section 352.113 or 352.95.

(c) Payment must be made before the effective date of the employee's retirement.

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

Sec. 3. Minnesota Statutes 2020, section 352.91, subdivision 3f, is amended to read:

Subd. 3f. **Additional Department of Human Services personnel.** (a) "Covered correctional service" means service by a state employee in one of the employment positions specified in paragraph (b) in the state-operated forensic services program or the Minnesota Sex Offender Program if at least 75 percent of the employee's working time is spent in direct contact with patients and the determination of this direct contact is certified to the executive director by the commissioner of human services.

(b) The employment positions are:

- (1) behavior analyst 2;
- (2) behavior analyst 3;
- (3) certified occupational therapy assistant 1;
- (4) certified occupational therapy assistant 2;
- (5) chemical dependency counselor senior;
- (6) client advocate;
- (7) clinical program therapist 2;
- (8) clinical program therapist 3;
- (9) clinical program therapist 4;
- (10) customer services specialist principal;
- (11) dental assistant registered;
- (12) dental hygienist;
- ~~(12)~~ (13) group supervisor;
- ~~(13)~~ (14) group supervisor assistant;
- ~~(14)~~ (15) human services support specialist;
- ~~(15)~~ (16) licensed alcohol and drug counselor;
- ~~(16)~~ (17) licensed practical nurse;
- ~~(17)~~ (18) management analyst 3;
- ~~(18)~~ (19) occupational therapist;
- ~~(19)~~ (20) occupational therapist, senior;
- ~~(20)~~ (21) physical therapist;

- (21) (22) psychologist 1;
- (22) (23) psychologist 2;
- (23) (24) psychologist 3;
- (24) (25) recreation program assistant;
- (25) (26) recreation therapist lead;
- (26) (27) recreation therapist senior;
- (27) (28) rehabilitation counselor senior;
- (29) residential program lead;
- (28) (30) security supervisor;
- (29) (31) skills development specialist;
- (30) (32) social worker senior;
- (31) (33) social worker specialist;
- (32) (34) social worker specialist, senior;
- (33) (35) special education program assistant;
- (34) (36) speech pathology clinician;
- (35) (37) work therapy assistant; and
- (36) (38) work therapy program coordinator.

EFFECTIVE DATE. This section is effective on the first day of the first payroll period occurring after the date of enactment and applies to prospective service only.

Sec. 4. Minnesota Statutes 2020, section 352B.086, is amended to read:

352B.086 FEDERALLY PROTECTED PURCHASE OF SERVICE CREDIT FOR UNIFORMED PERIODS OF MILITARY SERVICE.

(a) A member who is absent from employment by reason of service in the uniformed services, as defined in United States Code, title 38, section 4303(13), and who returns to state employment in a position covered by the plan upon discharge from service in the uniformed services within the time frame required in United States Code, title 38, section 4312(e), may obtain service credit for the period of the uniformed service, provided that the member did not separate from uniformed service with a dishonorable or bad conduct discharge or under other than honorable conditions.

(b) The member may obtain credit by paying into the fund an equivalent member contribution based on the member contribution rate or rates in effect at the time that the uniformed service was performed multiplied by the full and fractional years being purchased and applied to the annual salary rate. The annual salary rate is the average annual salary during the purchase period that the member would have received if the member had continued to

provide employment services to the state rather than to provide uniformed service, or if the determination of that rate is not reasonably certain, the annual salary rate is the member's average salary rate during the 12-month period of covered employment rendered immediately preceding the purchase period.

(c) The equivalent employer contribution and, if applicable, the equivalent employer additional contribution, must be paid by the employing unit, using the employer and employer additional contribution rate or rates in effect at the time that the uniformed service was performed, applied to the same annual salary rate or rates used to compute the equivalent member contribution.

(d) If the member equivalent contributions provided for in this section are not paid in full, the member's allowable service credit must be prorated by multiplying the full and fractional number of years of uniformed service eligible for purchase by the ratio obtained by dividing the total member contributions received by the total member contributions otherwise required under this section.

(e) To receive allowable service credit under this section, the equivalent member contributions specified in ~~this section paragraph (b)~~ must be transmitted to the fund during the period which begins with the date on which the individual returns to state employment covered by the plan and which has a duration of three times the length of the uniformed service period, but not to exceed five years. If the determined payment period is calculated to be less than ~~one year~~ three years, the contributions required under ~~this section paragraph (b)~~ to receive service credit must be transmitted to the fund within ~~one year~~ three years from the discharge date.

(f) The amount of allowable service credit obtainable under this section may not exceed five years, unless a longer purchase period is required under United States Code, title 38, section 4312.

(g) The employing unit shall pay interest on all equivalent member and employer contribution amounts payable under this section. Interest must be computed at the applicable annual rate or rates specified in section 356.59, subdivision 2, compounded annually, from the end of each fiscal year of the leave or break in service to the end of the month in which payment is received.

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

Sec. 5. [352B.087] STATE-AUTHORIZED PURCHASE OF SERVICE CREDIT FOR PERIODS OF MILITARY SERVICE.

Subdivision 1. Service credit purchase authorized. (a) Unless prohibited under paragraph (b), a member is eligible to purchase service credit, not to exceed five cumulative years of service credit, for one or more periods of service in the uniformed services, as defined in United States Code, title 38, section 4303(13), if:

(1) the member has at least three years of service credit with the plan;

(2) the duration of the member's current period of employment is at least six months; and

(3) one of the following applies:

(i) the member's service in the uniformed services occurred before employment in a position covered by the plan; or

(ii) the member did not obtain service credit for a period of military service under section 352B.086.

(b) A service credit purchase is prohibited if:

(1) the member separated from uniformed service with a dishonorable or bad conduct discharge or under other than honorable conditions; or

(2) the member has purchased or otherwise received service credit from any Minnesota public employee pension plan for the same period of service in the uniformed services.

(c) When purchasing a period of service, if the period of service in the uniformed services is one year or less, then the member must purchase the full period of service. If the period of service in the uniformed services is longer than one year, the member may purchase the full period, not to exceed five cumulative years, or may purchase a portion of the period of service. If the member purchases a portion of the period of service in the uniformed services, the portion must:

(1) not be less than one year; and

(2) be in increments of six months of service.

Subd. 2. Application and documentation. To purchase service credit under subdivision 1, a member must apply to the executive director to make the purchase. The application must include all necessary documentation of the member's qualifications to make the purchase, signed written permission to allow the executive director to request and receive necessary verification of applicable facts and eligibility requirements, and any other relevant information that the executive director may require. The member must submit with the application payment of the administrative fee in the amount of \$250 to cover the costs of calculating the purchase payment amount under section 356.551. If the member proceeds with the purchase, the administrative fee will be credited toward the purchase payment amount.

Subd. 3. Purchase payment amount; service credit grant. (a) The purchase payment amount is the amount determined under section 356.551 for the period or periods of service requested, except that, for purposes of calculating the purchase payment amount to purchase service credit for service in the uniformed services that occurred before employment in a position covered by the plan or between periods of employment in a position covered by the plan, section 356.551, subdivision 2, paragraph (c), does not apply.

(b) Service credit must be granted by the plan to the purchasing member upon the executive director's receipt of the purchase payment amount. The service credit purchased under this section may not be used for the purpose of determining a disability benefit under section 352B.10.

(c) Payment must be made before the effective date of the member's retirement.

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

Sec. 6. Minnesota Statutes 2020, section 356.551, subdivision 2, is amended to read:

Subd. 2. Determination. (a) Unless the minimum purchase amount set forth in paragraph (c) applies, the prior service credit purchase amount is an amount equal to the actuarial present value, on the date of payment, as calculated by the chief administrative officer of the pension plan and reviewed by the actuary retained under section 356.214, of the amount of the additional retirement annuity obtained by the acquisition of the additional service credit in this section.

(b) Calculation of this amount must be made using the investment return assumption applicable to the public pension plan specified in section 356.215, subdivision 8, and the mortality table adopted for the public pension plan.

(1) Unless clause (2) applies, the calculation must assume continuous future service in the public pension plan until, and retirement at, the age at which the minimum requirements of the fund for normal retirement or retirement with an annuity unreduced for retirement at an early age, including section 356.30, are met with the additional service credit purchased. The calculation must also assume a full-time equivalent salary, or actual salary, whichever is greater, and a future salary history that includes annual salary increases at the applicable salary increase rate for the plan specified in section 356.215, subdivision 8.

(2) This clause applies when the calculation is being done for purposes of section 352.272, 352B.087, or 353.0141, subdivision 3. The calculation must include continuous future service in the public pension plan until, and retirement at, any age at or after which the minimum requirements of the fund for early retirement or retirement with an annuity unreduced for retirement at an early age, including section 356.30, are met with the additional service credit purchased. The calculation must be determined using the retirement age that provides the most valuable benefit to the member. The calculation must also assume a full-time equivalent salary, or actual salary, whichever is greater, and a future salary history that includes annual salary increases at the applicable salary increase rate for the plan specified in section 356.215, subdivision 8.

(c) The prior service credit purchase amount may not be less than the amount determined by applying, for each year or fraction of a year being purchased, the sum of the employee contribution rate, the employer contribution rate, and the additional employer contribution rate, if any, applicable during that period, to the person's annual salary during that period, or fractional portion of a year's salary, if applicable, plus interest at the applicable annual rate or rates specified in section 356.59, subdivision 2, 3, 4, or 5, whichever applies, compounded annually, from the end of the year in which contributions would otherwise have been made to the date on which the payment is received.

(d) Unless otherwise provided by statutes governing a specific plan, payment must be made in one lump sum within one year of the prior service credit authorization or prior to the member's effective date of retirement, whichever is earlier. Payment of the amount calculated under this section must be made by the applicable eligible person.

(e) However, the current employer or the prior employer may, at its discretion, pay all or any portion of the payment amount that exceeds an amount equal to the employee contribution rates in effect during the period or periods of prior service applied to the actual salary rates in effect during the period or periods of prior service, plus interest at the applicable annual rate or rates specified in section 356.59, subdivision 2, 3, 4, or 5, whichever applies, compounded annually, from the date on which the contributions would otherwise have been made to the date on which the payment is made. If the employer agrees to payments under this subdivision, the purchaser must make the employee payments required under this subdivision within 90 days of the prior service credit authorization. If that employee payment is made, the employer payment under this subdivision must be remitted to the chief administrative officer of the public pension plan within 60 days of receipt by the chief administrative officer of the employee payments specified under this subdivision.

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

Sec. 7. DENTAL HYGIENIST AND RESIDENTIAL PROGRAM LEAD PERMITTED TO TRANSFER PRIOR MSRS-GENERAL SERVICE CREDIT.

For the purposes of Minnesota Statutes, section 352.955, subdivision 1, paragraph (b), a person employed as a residential program lead or as a dental hygienist under Minnesota Statutes, section 352.91, subdivision 3f, must be determined to be a person who is covered by legislation implementing the recommendations under section 352.91, subdivision 4a.

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

Sec. 8. **TRANSFER OF PAST SERVICE CREDIT FROM MINNESOTA STATE RETIREMENT SYSTEM GENERAL PLAN TO CORRECTIONAL PLAN.**

Subdivision 1. Definitions. The following terms have the meanings given in this subdivision:

(1) "Correctional plan" means the correctional employees retirement plan of the Minnesota State Retirement System.

(2) "Executive director" means the executive director of the Minnesota State Retirement System.

(3) "General plan" means the general state employees retirement plan of the Minnesota State Retirement System.

(4) "Service credit" means time credited as allowable service under Minnesota Statutes, section 352.01, subdivision 11, to an eligible person described in subdivision 3.

(5) "Transfer period" means the period from August 9, 2017, to December 22, 2020.

Subd. 2. Transfer of past service credit authorized. Notwithstanding any state law to the contrary, an eligible person described in subdivision 3 who makes payment to the correctional employees retirement fund, as permitted under subdivision 4, on or before one year following the effective date of this section is entitled to have:

(1) the employer payment made on the eligible person's behalf under subdivision 5; and

(2) applicable past service credit transferred from the general plan to the correctional plan for the transfer period under subdivision 6.

Subd. 3. Eligible person. An eligible person is a person who:

(1) is an employee of the Department of Corrections;

(2) on August 9, 2017, was promoted to the position of corrections transitions program coordinator, a position eligible to participate in the correctional plan; and

(3) from August 9, 2017, to December 22, 2020, was erroneously covered by the general plan because the department misreported the person's retirement plan eligibility to the Minnesota State Retirement System.

Subd. 4. Payment by eligible person. (a) An eligible person may pay to the executive director the difference between the employee contribution rate for the general plan and the employee contribution rate for the correctional plan for the transfer period. The difference between the two rates must be applied to the eligible person's salary at the time that each contribution would have been deducted from pay if the eligible person had been covered by the correctional plan for the transfer period. The payment must include interest at the applicable annual rate or rates specified in Minnesota Statutes, section 356.59, subdivision 2, calculated from the date that each contribution would have been deducted to the date that payment is made.

(b) The payment under paragraph (a) must be made in a lump sum no later than one year following the effective date. Upon receipt of the payment, the executive director must notify the commissioner of corrections that payment was made and of the amount owed under subdivision 5.

Subd. 5. Payment by the Department of Corrections. If an eligible person makes the payment under subdivision 4, the Department of Corrections, on behalf of the eligible person, shall pay to the Minnesota State Retirement System the actuarial present value of the additional benefit resulting from the transferred service credit less the payment made under subdivision 4. This amount must be paid by the department in a lump sum within 30 days after the date on which the executive director notifies the commissioner of corrections under subdivision 4.

Subd. 6. **Transfer of assets and service credit.** (a) If the payments under subdivisions 4 and 5 are made, the executive director must transfer assets from the general state employees retirement fund to the correctional employees retirement fund in an amount equal to the actuarial present value of the benefits earned by the eligible person under the general plan during the transfer period. The transfer of assets must be made within 15 days after receipt of the payments under subdivisions 4 and 5.

(b) Upon transfer of the assets under paragraph (a), the eligible person shall have service credit in the correctional plan and no service credit in the general plan for the transfer period.

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

Sec. 9. **PURCHASE OF SERVICE CREDIT AUTHORIZED FOR SURVIVOR OF DECEASED EMPLOYEE.**

Subdivision 1. **Definitions.** For the purpose of this section, the following terms have the meanings given:

(1) "executive director" means the executive director of the Minnesota State Retirement System;

(2) "general plan" means the general state employees retirement plan of the Minnesota State Retirement System;

(3) "service credit" means time credited as allowable service in the general plan under Minnesota Statutes, section 352.01, subdivision 11; and

(4) "surviving spouse" means the surviving spouse of an eligible person described in subdivision 3.

Subd. 2. **Purchase of service credit authorized.** Notwithstanding any state law to the contrary, a surviving spouse may purchase service credit, as described under subdivision 4, on behalf of an eligible person. The surviving spouse may purchase only the amount of service credit that is sufficient for the eligible person to be credited with a total of 60 months of service credit.

Subd. 3. **Eligible person.** An eligible person is a person who:

(1) died in December 2020;

(2) was employed at or near the time of the person's death by the Minnesota Housing Finance Agency; and

(3) is credited with no more than 59 months of service credit during the period from February 1, 2016, to December 1, 2020.

Subd. 4. **Calculation of payment; payment.** (a) The executive director shall calculate the amount of the purchase authorized under subdivision 2. The purchase amount is equal to:

(1) 12.25 percent of the eligible person's final month of salary; and

(2) interest on the amount under clause (1) at the applicable annual rate or rates specified in Minnesota Statutes, section 356.59, subdivision 2, compounded annually from January 1, 2021, to the date that payment is made.

(b) If the surviving spouse elects to pay the purchase amount under paragraph (a), the purchase amount must be paid to the executive director in a lump sum within one year of the effective date of this section.

Subd. 5. **Entitlement to annuity.** Upon payment under subdivision 4, the executive director must credit the eligible person with the purchased service credit and the surviving spouse is entitled to elect an annuity under Minnesota Statutes, section 352.12, subdivision 2, paragraph (a), (c), or (d), as applicable. If the surviving spouse elects to receive an annuity under Minnesota Statutes, section 352.12, subdivision 2, paragraph (a) or (c), the surviving spouse may elect a start date that is as early as January 1, 2021.

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

ARTICLE 2
PUBLIC EMPLOYEES RETIREMENT ASSOCIATION

Section 1. Minnesota Statutes 2021 Supplement, section 353.01, subdivision 2b, is amended to read:

Subd. 2b. **Excluded employees.** (a) The following public employees are not eligible to participate as members of the association with retirement coverage by the general employees retirement plan, the local government correctional employees retirement plan under chapter 353E, or the public employees police and fire retirement plan:

(1) persons whose annual salary from one governmental subdivision never exceeds an amount, stipulated in writing in advance, of \$5,100 if the person is not a school district employee or \$3,800 if the person is a school year employee. If annual compensation from one governmental subdivision to an employee exceeds the stipulated amount in a calendar year or a school year, whichever applies, after being stipulated in advance not to exceed the applicable amount, the stipulation is no longer valid and contributions must be made on behalf of the employee under section 353.27, subdivision 12, from the first month in which the employee received salary exceeding \$425 in a month;

(2) public officers who are elected to a governing body, city mayors, or persons who are appointed to fill a vacancy in an elected office of a governing body, whose term of office commences on or after July 1, 2002, for the service to be rendered in that elected position;

(3) election judges and persons employed solely to administer elections;

(4) patient and inmate personnel who perform services for a governmental subdivision;

(5) except as otherwise specified in subdivision 12a, employees who are employed solely in a temporary position as defined under subdivision 12a, and employees who resign from a nontemporary position and accept a temporary position within 30 days of that resignation in the same governmental subdivision;

(6) employees who are employed by reason of work emergency caused by fire, flood, storm, or similar disaster, but if the person becomes a probationary or provisional employee within the same pay period, other than on a temporary basis, the person is a "public employee" retroactively to the beginning of the pay period;

(7) employees who by virtue of their employment in one governmental subdivision are required by law to be a member of and to contribute to any of the plans or funds administered by the Minnesota State Retirement System, the Teachers Retirement Association, or the St. Paul Teachers Retirement Fund Association, but this exclusion must not be construed to prevent a person from being a member of and contributing to the Public Employees Retirement Association and also belonging to and contributing to another public pension plan or fund for other service occurring during the same period of time, and a person who meets the definition of "public employee" in subdivision 2 by virtue of other service occurring during the same period of time becomes a member of the association unless contributions are made to another public retirement plan on the salary based on the other service or to the Teachers Retirement Association by a teacher as defined in section 354.05, subdivision 2;

(8) persons who are members of a religious order and are excluded from coverage under the federal Old Age, Survivors, Disability, and Health Insurance Program for the performance of service as specified in United States Code, title 42, section 410(a)(8)(A), as amended, if no irrevocable election of coverage has been made under section 3121(r) of the Internal Revenue Code of 1954, as amended;

(9) persons who are:

(i) employed by a governmental subdivision who have not reached the age of 23 and who are enrolled on a full-time basis to attend or are attending classes on a full-time basis at an accredited school, college, or university in an undergraduate, graduate, or professional-technical program, or at a public or charter high school;

(ii) employed as resident physicians, medical interns, pharmacist residents, or pharmacist interns and are serving in a degree or residency program in a public hospital or in a public clinic; or

(iii) students who are serving for a period not to exceed five years in an internship or a residency program that is sponsored by a governmental subdivision, including an accredited educational institution;

(10) persons who hold a part-time adult supplementary technical college license who render part-time teaching service in a technical college;

(11) for the first three years of employment, foreign citizens who are employed by a governmental subdivision, except that the following foreign citizens must be considered included employees under subdivision 2a:

(i) H-1B, H-1B1, and E-3 status holders;

(ii) employees of Hennepin County or Hennepin Healthcare System, Inc.;

(iii) employees legally authorized to work in the United States for three years or more; and

(iv) employees otherwise required to participate under federal law;

(12) public hospital employees who elected not to participate as members of the association before 1972 and who did not elect to participate from July 1, 1988, to October 1, 1988;

(13) except as provided in section 353.86, volunteer ambulance service personnel, as defined in subdivision 35, but persons who serve as volunteer ambulance service personnel may still qualify as public employees under subdivision 2 and may be members of the Public Employees Retirement Association and participants in the general employees retirement plan or the public employees police and fire plan, whichever applies, on the basis of compensation received from public employment service other than service as volunteer ambulance service personnel;

(14) except as provided in section 353.87, volunteer firefighters, as defined in subdivision 36, engaging in activities undertaken as part of volunteer firefighter duties, but a person who is a volunteer firefighter may still qualify as a public employee under subdivision 2 and may be a member of the Public Employees Retirement Association and a participant in the general employees retirement plan or the public employees police and fire plan, whichever applies, on the basis of compensation received from public employment activities other than those as a volunteer firefighter;

(15) employees in the building and construction trades, as follows:

(i) pipefitters and associated trades personnel employed by Independent School District No. 625, St. Paul, with coverage under a collective bargaining agreement by the pipefitters local 455 pension plan who were either first employed after May 1, 1997, or, if first employed before May 2, 1997, elected to be excluded under Laws 1997, chapter 241, article 2, section 12;

(ii) electrical workers, plumbers, carpenters, and associated trades personnel employed by Independent School District No. 625, St. Paul, or the city of St. Paul, with coverage under a collective bargaining agreement by the electrical workers local 110 pension plan, the plumbers local 34 pension plan, or the carpenters local 322 pension plan who were either first employed after May 1, 2000, or, if first employed before May 2, 2000, elected to be excluded under Laws 2000, chapter 461, article 7, section 5;

(iii) bricklayers, allied craftworkers, cement masons, glaziers, glassworkers, painters, allied tradesworkers, and plasterers employed by the city of St. Paul or Independent School District No. 625, St. Paul, with coverage under a collective bargaining agreement by the bricklayers and allied craftworkers local 1 pension plan, the cement masons local 633 pension plan, the glaziers and glassworkers local 1324 pension plan, the painters and allied trades local 61 pension plan, or the plasterers local 265 pension plan who were either first employed after May 1, 2001, or if first employed before May 2, 2001, elected to be excluded under Laws 2001, First Special Session chapter 10, article 10, section 6;

(iv) plumbers employed by the Metropolitan Airports Commission, with coverage under a collective bargaining agreement by the plumbers local 34 pension plan, who were either first employed after May 1, 2001, or if first employed before May 2, 2001, elected to be excluded under Laws 2001, First Special Session chapter 10, article 10, section 6;

(v) electrical workers or pipefitters employed by the Minneapolis Park and Recreation Board, with coverage under a collective bargaining agreement by the electrical workers local 292 pension plan or the pipefitters local 539 pension plan, who were first employed before May 2, 2015, and elected to be excluded under Laws 2015, chapter 68, article 11, section 5;

(vi) laborers and associated trades personnel employed by the city of St. Paul or Independent School District No. 625, St. Paul, who are designated as temporary employees with coverage under a collective bargaining agreement by a multiemployer plan as defined in section 356.27, subdivision 1, who were either first employed on or after June 1, 2018, or if first employed before June 1, 2018, elected to be excluded under Laws 2018, chapter 211, article 16, section 13; and

(vii) employees who are trades employees as defined in section 356.27, subdivision 1, first hired on or after July 1, 2020, by the city of St. Paul or Independent School District No. 625, St. Paul, except for any trades employee for whom contributions are made under section 356.24, subdivision 1, clause (8), (9), or (10), by either employer to a multiemployer plan as defined in section 356.27, subdivision 1;

(16) employees who are hired after June 30, 2002, solely to fill seasonal positions under subdivision 12b which are limited in duration by the employer to a period of six months or less in each year of employment with the governmental subdivision;

(17) persons who are provided supported employment or work-study positions by a governmental subdivision and who participate in an employment or industries program maintained for the benefit of these persons where the governmental subdivision limits the position's duration to up to five years, including persons participating in a federal or state subsidized on-the-job training, work experience, senior citizen, youth, or unemployment relief program where the training or work experience is not provided as a part of, or for, future permanent public employment;

(18) independent contractors and the employees of independent contractors;

(19) reemployed annuitants of the association during the course of that reemployment;

(20) persons appointed to serve on a board or commission of a governmental subdivision or an instrumentality thereof; ~~and~~

(21) persons employed as full-time fixed-route bus drivers by the St. Cloud Metropolitan Transit Commission who are members of the International Brotherhood of Teamsters Local 638 and who are, by virtue of that employment, members of the International Brotherhood of Teamsters Central States pension plan; and

(22) persons employed by the Duluth Transit Authority or any subdivision thereof who are members of the Teamsters General Local Union 346 and who are, by virtue of that employment, members of the Central States Southeast and Southwest Areas Pension Fund.

(b) Any person performing the duties of a public officer in a position defined in subdivision 2a, paragraph (a), clause (3), is not an independent contractor and is not an employee of an independent contractor.

EFFECTIVE DATE. This section is effective on the date the persons employed by the Duluth Transit Authority or any subdivision thereof become public employees as defined in Minnesota Statutes, section 353.01, subdivision 2.

Sec. 2. Minnesota Statutes 2020, section 353.34, is amended by adding a subdivision to read:

Subd. 3c. **Segmented annuities.** (a) If a person who is entitled to an annuity has more than one period of uninterrupted service, the person is entitled to augmentation under subdivision 3, applied to each period of uninterrupted service. The average salary used to calculate the annuity for each period of uninterrupted service must be applied as if the person was a new employee at the beginning of each period of uninterrupted service. The actuarial assumptions used to calculate the annuity must be those in effect on the effective date of retirement.

(b) For the purpose of this subdivision, "uninterrupted service" means periods of covered employment during which the person has not been separated from public service for more than two years.

(c) If a person repays a refund, the restored service must be considered as continuous with the next period of service for which the person has credit with the association.

(d) This subdivision applies to persons who become deferred annuitants on or after July 1, 1971. For a person who became a deferred annuitant before July 1, 1971, the paragraph applies from July 1, 1971, if the former active member applies for an annuity after July 1, 1973.

(e) This subdivision must not reduce the annuity otherwise payable under this chapter.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 3. **RETROACTIVE IMPLEMENTATION.**

(a) For the purpose of this section, "eligible retiree" means a person:

(1) who began to receive a retirement annuity under Minnesota Statutes, chapter 353 or 353E, after June 30, 2018, and before the effective date;

(2) who at the time of the person's annuity start date would have been entitled to augmentation for more than one period of uninterrupted service had section 2 been in effect at the annuity start date; and

(3) for whom a retirement annuity calculated under section 2 is greater than the retirement annuity to which the person was entitled on the annuity start date.

(b) Within 90 days following the effective date, the executive director of the Public Employees Retirement Association must notify each eligible retiree of the monthly amount of the annuity to which the eligible retiree would have been entitled had section 2 been in effect at the eligible retiree's annuity start date. The notice must include the corresponding monthly amounts payable under any optional forms of annuity to which the eligible retiree was entitled at the annuity start date and is entitled on the date of the notice.

(c) For each eligible retiree, the executive director must adjust the ongoing annuity amount so that it is the amount calculated under section 2, taking into account any election of any optional annuity forms of payment and any postretirement increases.

(d) The executive director must offer a lump-sum distribution to the eligible retiree of the difference between the monthly amount determined under section 2 and the monthly amount being paid to the eligible retiree, multiplied by the number of monthly payments made to the eligible retiree before the annuity calculated under section 2 begins. The lump sum must be adjusted to take into account any election of any optional annuity forms of payment and any postretirement increases. The eligible retiree may elect a distribution of the lump sum or a direct rollover under Minnesota Statutes, section 356.635, subdivisions 3 to 7, if the lump sum is an eligible rollover distribution as defined in Minnesota Statutes, section 356.635, subdivisions 4 and 5.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 4. VESTING CREDIT FOR PAST SERVICE FOR CERTAIN EMPLOYEES OF THE DULUTH TRANSIT AUTHORITY.

Notwithstanding any state law to the contrary, an employee of the Duluth Transit Authority or any subdivision thereof, who is not a member of the Teamsters General Local Union 346, on the effective date must receive credit for all full and partial years of service as an employee of ATE Management of Duluth, Inc. for the purpose of determining whether the employee has satisfied the vesting requirement under Minnesota Statutes, section 353.01, subdivision 47. All service as an employee of ATE Management of Duluth, Inc., must be considered as allowable service in the general employees retirement plan for vesting purposes.

EFFECTIVE DATE. This section is effective on the date the persons employed by the Duluth Transit Authority or any subdivision thereof become public employees as defined in Minnesota Statutes, section 353.01, subdivision 2.

ARTICLE 3
RETIRED TEACHER EARNINGS LIMITATIONS

Section 1. **SUSPENSION OF EARNINGS LIMITATIONS FOR RETIRED TEACHERS WHO RETURN TO WORK.**

Subdivision 1. **Reemployed teacher defined.** For the purposes of this section, "reemployed teacher" means a person who retires under the provisions of Minnesota Statutes, chapter 354 or 354A, and who subsequently resumes teaching for a public school of the state, a charter school, or the Perpich Center for Arts Education. Reemployed teacher does not include a person who resumes teaching for a postsecondary institution, including a state college or university.

Subd. 2. **Three-year suspension of earnings limitation for teachers covered by TRA and SPTRFA.** (a) Notwithstanding Minnesota Statutes, section 354.44, subdivision 5, no portion of a reemployed teacher's annuity paid under Minnesota Statutes, chapter 354, shall be deferred regardless of the amount of the salary earned from the teaching service during the preceding fiscal year. This paragraph applies only to salary earned during fiscal years 2022, 2023, and 2024 and annuity payments made during calendar years 2023, 2024, and 2025.

(b) Notwithstanding Minnesota Statutes, section 354A.31, subdivision 3, no portion of a reemployed teacher's annuity paid under Minnesota Statutes, chapter 354A, shall be deferred or forfeited regardless of the amount of the salary earned from the teaching service during the preceding calendar year. This subdivision applies only to salary earned during calendar years 2022, 2023, and 2024 and annuity payments made during calendar years 2023, 2024, and 2025.

Subd. 3. **Expiration date.** This section expires effective January 1, 2026.

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

ARTICLE 4 VOLUNTEER FIREFIGHTER RETIREMENT

Section 1. Minnesota Statutes 2020, section 353G.01, subdivision 7, is amended to read:

Subd. 7. **Good time Service credit.** "~~Good time~~ Service credit" means the length of service credit for an active firefighter that is reported by the applicable fire chief based on the minimum firefighter activity standards of the fire department. The credit may be reported on an annual or monthly basis.

EFFECTIVE DATE. This section is effective January 1, 2023.

Sec. 2. Minnesota Statutes 2020, section 353G.01, subdivision 9a, is amended to read:

Subd. 9a. **Relief association.** "Relief association" means a volunteer firefighter relief association established under chapter 424A, including a volunteer firefighter relief association to which records, assets, and liabilities related to lump-sum or monthly benefits for active and former firefighters will be transferred from the retirement fund upon satisfaction of the requirements of section 353G.17.

EFFECTIVE DATE. This section is effective January 1, 2023.

Sec. 3. Minnesota Statutes 2020, section 353G.05, subdivision 1, is amended to read:

Subdivision 1. **Entities eligible to request coverage.** (a) A relief association or a municipality or independent nonprofit firefighting corporation affiliated with a relief association may elect to have its volunteer firefighters covered by the lump-sum retirement division, if the volunteer firefighters for whom coverage is being requested are covered by a relief association that is a lump-sum defined benefit relief association or a defined contribution relief association governed by chapter 424A.

(b) A relief association or a municipality or independent nonprofit firefighting corporation affiliated with a relief association may elect to have its volunteer firefighters covered by the lump-sum retirement division or the monthly benefit retirement division of the retirement plan, if the volunteer firefighters for whom coverage is being requested are covered by a relief association that is a monthly benefit defined benefit relief association governed by chapter 424A.

~~(b)~~ (c) A municipality or independent nonprofit firefighting corporation that is not affiliated with a relief association may elect to have its volunteer firefighters covered by the lump-sum retirement division of the retirement plan.

EFFECTIVE DATE. This section is effective January 1, 2023.

Sec. 4. Minnesota Statutes 2020, section 353G.05, is amended by adding a subdivision to read:

Subd. 1a. **Requesting coverage.** (a) An entity that is eligible under subdivision 1 to make a request for coverage may initiate the process of obtaining coverage by filing a request with the executive director, as described in this subdivision.

(b) The request for coverage must be in writing and on a form prescribed by the executive director.

(c) In the request for coverage, the entity must identify the desired service pension amount and select a vesting schedule from the following options:

(1) incremental vesting beginning with 40 percent vested after completing five years of active service and increasing by four percent upon completion of each additional year of active service, until 100 percent vested upon completion of 20 years of active service;

(2) incremental vesting beginning with 40 percent vested after completing five years of active service and increasing by 12 percent upon completion of each additional year of active service, until 100 percent vested upon completion of 10 years of active service; or

(3) incremental vesting beginning with 40 percent vested after completing ten years of active service and increasing by six percent upon completion of each additional year of active service, until 100 percent vested upon completion of 20 years of active service.

The entity must not select a vesting schedule that requires more years of service to become partially or fully vested than the vesting schedule in effect under the former affiliated relief association, if any.

(d) If the request for coverage is for volunteer firefighters covered by a monthly benefit defined benefit relief association, the entity making the request must elect coverage either by the monthly benefit retirement division or by the lump-sum retirement division.

(e) If the request for coverage is for volunteer firefighters covered by a relief association that provides both a monthly benefit and a lump-sum benefit, the entity making the request must elect coverage by the monthly benefit retirement division, the lump-sum retirement division, or by both divisions.

(f) If the request for coverage is for volunteer firefighters covered by a relief association with a retirement plan governed by chapter 424A, the secretary of the relief association, following approval of the request by the board of the relief association, and the chief administrative officer of the entity affiliated with the relief association, following approval of the request by the governing body of the entity, must jointly make the request. If the relief association is affiliated with more than one entity, the chief administrative officer of each affiliated entity must execute the request.

(g) If the request for coverage is for volunteer firefighters who are not covered by a relief association, the chief administrative officer of the entity operating the fire department must make the request.

EFFECTIVE DATE. This section is effective January 1, 2023.

Sec. 5. Minnesota Statutes 2020, section 353G.05, subdivision 2, is amended to read:

~~Subd. 2. **Election of coverage; Cost analysis for coverage by the lump sum division.** (a) The process for electing coverage of volunteer firefighters by the lump sum retirement division is initiated by a request to the executive director for a cost analysis of the prospective retirement coverage under the lump sum retirement division. Upon receipt of a request for coverage by the lump-sum division, the executive director must prepare a cost analysis as described in this subdivision.~~

~~(b) If the volunteer firefighters are currently covered by a lump-sum volunteer firefighter relief association or a defined contribution volunteer firefighter relief association governed by chapter 424A, the cost analysis of the prospective retirement coverage must be requested jointly by the secretary of the volunteer firefighter relief association, following approval of the request by the board of the volunteer firefighter relief association, and the chief administrative officer of the entity associated with the relief association, following approval of the request by the governing body of the entity associated with the relief association. If the relief association is associated with more than one entity, the chief administrative officer of each associated entity must execute the request. If the volunteer firefighters are not currently covered by a volunteer firefighter relief association, the cost analysis of the prospective retirement coverage must be requested by the chief administrative officer of the entity operating the fire department. The request must be made in writing and must be made on a form prescribed by the executive director.~~

~~(e) (b) The cost analysis of the prospective retirement coverage by the lump-sum retirement division of the statewide retirement plan under this subdivision must be based on:~~

~~(1) the service pension amount under section 353G.11 closest to the service pension amount provided by the volunteer firefighter relief association if the relief association is a lump-sum defined benefit plan, or the amount that is equal to 95 percent of the most current average account balance per relief association member if the relief association is a defined contribution plan, or to the lowest service pension amount under section 353G.11 if there is no volunteer firefighter relief association, rounded up; and any other~~

~~(2) if different than the amount under clause (1), the service pension amount designated by the requester or requesters identified in the request under subdivision 1a.~~

~~(c) The cost analysis must take into account the vesting option selected in the request under subdivision 1a.~~

~~(d) The cost analysis must be prepared using a mathematical procedure certified as accurate by an approved actuary retained by the Public Employees Retirement Association.~~

~~(e) (e) If the request for coverage was made by a cost analysis is requested and a volunteer firefighters relief association exists that has filed the information required under section 424A.014 in a timely fashion, upon request by the executive director, the state auditor shall provide the most recent data available on the financial condition of the volunteer firefighter relief association, the most recent firefighter demographic data available, and a copy of the current relief association bylaws. If a cost analysis is requested, but no volunteer firefighter relief association exists, the chief administrative officer of the entity operating the fire department shall provide the demographic information on the volunteer firefighters serving as members of the fire department requested by the executive director.~~

EFFECTIVE DATE. This section is effective January 1, 2023.

Sec. 6. Minnesota Statutes 2020, section 353G.05, subdivision 3, is amended to read:

Subd. 3. **Election of coverage; Cost analysis for coverage by the monthly benefit retirement division.** (a) ~~The process for electing coverage of volunteer firefighters by the monthly retirement division is initiated by a request to the executive director for an actuarial cost analysis of the prospective retirement coverage under the monthly benefit retirement division. This request must be made by the secretary of the volunteer firefighter relief association and the chief administrative officer of the entity associated with the relief association, both of which must first obtain approval of the request from their respective municipal governing body or independent nonprofit firefighting corporation. The request must be made in writing and must be made on a form prescribed by the executive director.~~

~~(b) Coverage by the monthly benefit retirement division may only be elected if the volunteer firefighters are covered by a monthly benefit volunteer firefighter relief association governed by chapter 424A.~~

~~(e)~~ (a) Upon receipt of a request for coverage by the monthly benefit retirement division, the executive director must prepare a cost analysis as described in this subdivision.

~~(b)~~ The cost analysis under ~~paragraph (a) this subdivision~~ must be prepared by the approved actuary retained by the Public Employees Retirement Association. The cost analysis must be based on:

(1) the monthly service pension amount and other retirement benefit types and amounts in effect for the ~~volunteer firefighter~~ relief association as of the date of the request ~~and any other~~;

~~(2) if different than the amount or amounts designated by the requesters, as disclosed under clause (1), the monthly pension amount identified in the request under subdivision 1a and evaluated in a special actuarial valuation prepared under sections 356.215 and 356.216; and~~

~~(2)~~ (3) the standards for actuarial work, and the actuarial assumptions utilized in the most recent ~~prior~~ actuarial valuation, except that the applicable investment return actuarial assumption is six percent.

(c) The cost analysis must take into account the vesting option selected in the request under subdivision 1a.

(d) The secretary of the ~~volunteer firefighter~~ relief association making the request must supply the demographic and financial data necessary for the cost analysis to be prepared.

EFFECTIVE DATE. This section is effective January 1, 2023.

Sec. 7. Minnesota Statutes 2020, section 353G.09, subdivision 1, is amended to read:

Subdivision 1. **Entitlement.** ~~Except as provided in subdivision 3, An active~~ (a) A member of the retirement plan is entitled to a service pension from the retirement plan if the ~~person~~ member:

(1) has separated from active service with the fire department for at least 30 days;

(2) has attained the age of at least 50 years;

(3) has ~~completed at least five years of good time service credit as a member of the retirement plan if the person is a member of the lump sum retirement division or has completed at least the minimum number of years of good time service credit as a member of the retirement plan specified in the retirement benefit plan document attributable to the applicable fire department if the person is a member of the monthly benefit retirement division~~ satisfied the minimum service requirement in paragraph (b); and

(4) applies in a manner prescribed by the executive director for the service pension.

(b) A member satisfies the minimum service requirement if the member meets at least one of the following requirements:

(1) the member is at least 40 percent vested based on years of service as a member of the retirement plan;

(2) the member is at least 40 percent vested based on years of service with the fire department and the total number of years of service as a member of the former affiliated relief association plus years of service as a member of the retirement plan is at least five; or

(3) the member has completed at least the minimum number of years of service as a member of the retirement plan specified in the retirement benefit plan document attributable to the applicable fire department if the person is a member of the monthly benefit retirement division.

EFFECTIVE DATE. This section is effective January 1, 2023.

Sec. 8. Minnesota Statutes 2020, section 353G.09, subdivision 2, is amended to read:

Subd. 2. **Vesting schedule; nonforfeitable portion of service pension.** (a) ~~If Except as provided in paragraphs (c) and (d), an active member of the lump-sum retirement division has completed less than 20 years of good time service credit as a member of the lump-sum retirement division of the plan, the person's entitlement is entitled to a service pension is equal to the nonforfeitable percentage of the applicable service pension amount, taking into account years of service as a member of the retirement plan plus years of service as a member of the former affiliated relief association, if any,~~ as follows:

Completed years of good time service credit	Nonforfeitable percentage of the service pension
<u>less than 5</u>	<u>0 percent</u>
5	40 percent
6	44 percent
7	48 percent
8	52 percent
9	56 percent
10	60 percent
11	64 percent
12	68 percent
13	72 percent
14	76 percent
15	80 percent
16	84 percent
17	88 percent
18	92 percent
19	96 percent

(b) If an active member of the monthly benefit retirement division has completed less than 20 years of ~~good time~~ service credit as a member of the monthly benefit retirement division of the plan, the person's entitlement to a service pension must be governed by the retirement benefit plan document attributable to the applicable fire department.

(c) A person described in paragraph (d) is entitled to the vested portion of the service pension as determined by applying the vesting schedule selected in the request for coverage under section 353G.05, subdivision 1a, taking into account years of service as a member of the retirement plan plus years of service as a member of the former affiliated relief association, if any.

(d) A person is described in this paragraph if the person becomes a member of the lump-sum retirement division in connection with the transfer of coverage from a relief association to the retirement plan on or after January 1, 2023, or in connection with a municipality or independent nonprofit firefighting corporation joining the retirement plan on or after January 1, 2023.

EFFECTIVE DATE. This section is effective January 1, 2023.

Sec. 9. Minnesota Statutes 2021 Supplement, section 353G.11, subdivision 1, is amended to read:

Subdivision 1. **Service pension levels; lump-sum retirement division.** Except as provided in subdivision 1a, the lump-sum retirement division of the retirement plan provides the following levels of service pension amounts per full year of good time service credit to be selected at the election of coverage:

(1) a minimum service pension level of \$500 per year;

(2) a maximum service pension level equal to the ~~largest maximum lump-sum service pension~~ amount permitted under section 424A.02, ~~subdivision 2e~~ subdivision 3, ~~as a maximum lump-sum service pension amount~~ payable for each year of service; and

(3) service pension levels between the minimum level and the maximum level in \$100 increments.

EFFECTIVE DATE. This section is effective January 1, 2023.

Sec. 10. Minnesota Statutes 2020, section 424A.003, is amended to read:

424A.003 CERTIFICATION OF SERVICE CREDIT.

(a) When a municipal fire department, a joint powers fire department, or an independent nonprofit firefighting corporation is directly associated with the volunteer firefighters relief association, the fire chief shall certify annually by March 31 the service credit for the previous calendar year of each volunteer firefighter rendering active service with the fire department.

(b) The certification shall be made to an officer of the relief association's board of trustees and to the municipal clerk or clerk-treasurer of the largest municipality in population served by the associated fire department.

(c) The fire chief shall notify each volunteer firefighter rendering active service with the fire department of the amount of service credit rendered by the firefighter for the previous calendar year. Upon request, the fire chief shall provide the firefighter with a written explanation and documentation to support the determination of service credit. The service credit notification and a description of the process and deadlines for the firefighter to challenge the fire chief's determination of service credit must be provided to the firefighter at least 21 days prior to its certification to the relief association and municipality. If the service credit amount is challenged, the fire chief shall accept and consider any additional pertinent information and shall make a final determination of service credit.

(d) The service credit certification must be expressed as the number of completed months of the previous year during which an active volunteer firefighter rendered at least the minimum level of duties as specified and required by the fire department under the rules, regulations, and policies applicable to the fire department. No more than one year of service credit may be certified for a calendar year.

(e) If a volunteer firefighter who is a member of the relief association leaves active firefighting service to render active military service that is required to be governed by the federal Uniformed Services Employment and Reemployment Rights Act, as amended, the firefighter must be certified as providing service credit for the period of the military service, up to the applicable limit of the federal Uniformed Services Employment and Reemployment Rights Act. If the volunteer firefighter does not return from the military service in compliance with the federal Uniformed Services Employment and Reemployment Rights Act, the service credits applicable to that military service credit period are forfeited and canceled at the end of the calendar year in which the time limit set by federal law occurs.

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

Sec. 11. Minnesota Statutes 2020, section 424A.015, subdivision 2, is amended to read:

Subd. 2. **No assignment or garnishment.** Except as provided in sections 424A.05, 518.58, 518.581, and 518A.53:

(1) a service pension or ancillary benefits paid or payable from the special fund of a relief association to any person receiving or entitled to receive a service pension or ancillary benefits is not subject to garnishment, judgment, execution, or other legal process; ~~except as provided in section 518.58, 518.581, or 518A.53; and~~

(2) no person entitled to a service pension or ancillary benefits from the special fund of a relief association may assign any service pension or ancillary benefit payments, and the association does not have the authority to recognize any assignment or pay over any sum which has been assigned.

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

Sec. 12. Minnesota Statutes 2021 Supplement, section 424A.02, subdivision 3, is amended to read:

Subd. 3. **Determining maximum pension benefit.** (a) Except as provided in paragraph (b) and section 424B.22, subdivision 4, a defined benefit relief association may not set in its bylaws a service pension amount above the following maximum amounts:

(1) for a defined benefit relief association in which the governing bylaws provide for a monthly ~~benefit~~ service pension ~~as an alternative form of service pension payment to a lump-sum service pension~~, the maximum monthly service pension amount for each pension payment type must be determined using the applicable table contained in subdivision 2b or 2c per month for each year of service credited is the lesser of \$100 or the maximum monthly service pension amount that could be adopted by the relief association as a bylaws amendment that satisfies section 424A.093, subdivision 6, paragraph (d); and

(2) for a defined benefit relief association in which the governing bylaws provide for a lump-sum service pension, the maximum lump-sum service pension amount for each year of service credited is the lesser of \$15,000 or the maximum lump-sum service pension amount that could be adopted by the relief association as a bylaws amendment that satisfies section 424A.092, subdivision 6, paragraph (e).

~~(b) If a defined benefit relief association establishes a service pension in compliance with the applicable maximum contained in subdivision 2b or 2c and the minimum average amount of available financing per active covered firefighter is subsequently reduced because of a reduction in fire state aid or because of an increase in the number of active firefighters, the relief association may continue to provide the prior service pension amount specified in its bylaws, but may not increase the service pension amount until the minimum average amount of available financing per firefighter under the table in subdivision 2b or 2c, whichever applies, permits.~~

~~(c) No defined benefit relief association is authorized to provide a service pension in an amount greater than the largest applicable flexible service pension maximum amount even if the amount of available financing per firefighter is greater than the financing amount associated with the largest applicable flexible service pension maximum.~~

(b) A defined benefit relief association may set in its bylaws a service pension amount that is not greater than the maximum amounts in clause (1) or (2), as applicable, but only if the service pension amount has been ratified by the municipality.

(1) For a defined benefit relief association that pays a monthly service pension, the maximum monthly service pension amount per month for each year of service credited is \$100.

(2) For a defined benefit relief association that pays a lump-sum service pension, the maximum lump-sum service pension amount for each year of service credited is \$15,000.

~~(d)~~ (c) The method of calculating service pensions must be applied uniformly for all years of active service. Credit must be given for all years of active service, unless the bylaws of the relief association provide that service credit is not given for:

(1) years of active service in excess of caps on service credit; or

(2) years of active service earned by a former member who:

(i) has ceased duties as a volunteer firefighter with the fire department before becoming vested under subdivision 2; and

(ii) has not resumed active service with the fire department and active membership in the relief association for a period as defined in the relief association's bylaws, of not less than five years.

EFFECTIVE DATE. This section is effective January 1, 2023.

Sec. 13. Minnesota Statutes 2021 Supplement, section 424A.02, subdivision 3a, is amended to read:

Subd. 3a. **Penalty for paying pension greater than applicable maximum.** (a) If a defined benefit relief association pays a service pension greater than the applicable maximum service pension associated with the applicable average amount of available financing per active covered firefighter under the table in subdivision 2b or 2c, whichever applies, the maximum service pension under subdivision 3, paragraph (b), or the applicable maximum service pension amount specified in subdivision 3, paragraph (c), whichever is less, the state auditor shall must notify the relief association that the service pension paid is greater than the applicable maximum service pension and that the penalty under this subdivision will be imposed, unless the relief association reduces the service pension amount to an amount that is not greater than the applicable maximum service pension amount and recovers the overpaid service pension. If the service pension amount is not reduced and the overpayment is not recovered, the state auditor must:

(1) disqualify the municipality or the independent nonprofit firefighting corporation associated with the relief association from receiving fire state aid by making the appropriate notification to the municipality and the commissioner of revenue, with the disqualification applicable for the next apportionment and payment of fire state aid; and

(2) order the treasurer of the applicable relief association to recover the amount of the overpaid service pension or pensions from any retired firefighter who received an overpayment.

(b) Fire state aid amounts from disqualified municipalities for the period of disqualifications under paragraph (a), clause (1), must be credited to the amount of fire insurance premium tax proceeds available for the next subsequent fire state aid apportionment.

(c) The amount of any overpaid service pension recovered under paragraph (a), clause (2), must be credited to the amount of fire insurance premium tax proceeds available for the next subsequent fire state aid apportionment.

(d) The determination of the state auditor that a relief association has paid a service pension greater than the applicable maximum must be made on the basis of the information filed by the relief association and the municipality with the state auditor under this chapter and any other relevant information that comes to the attention of the state auditor. The determination of the state auditor is final. An aggrieved municipality, relief association, or person may appeal the determination under section 480A.06.

(e) The state auditor may certify, upon learning that a relief association overpaid a service pension based on an error in the maximum service pension calculation, the municipality or independent nonprofit firefighting corporation associated with the relief association for fire state aid if (1) there is evidence that the error occurred in good faith, and (2) the relief association has initiated recovery of any overpayment amount. Notwithstanding paragraph (c), all overpayments recovered under this paragraph must be credited to the relief association's special fund.

EFFECTIVE DATE. This section is effective January 1, 2023.

Sec. 14. Minnesota Statutes 2020, section 424A.05, subdivision 3, is amended to read:

Subd. 3. **Authorized disbursements from special fund.** (a) Disbursements from the special fund may not be made for any purpose other than one of the following:

(1) for the payment of service pensions to retired members of the relief association if authorized and paid under law and the bylaws governing the relief association;

(2) for the purchase of an annuity for the applicable person under section 424A.015, subdivision 3, for the transfer of service pension or benefit amounts to the applicable person's individual retirement account under section 424A.015, subdivision 4, or to the applicable person's account in the Minnesota deferred compensation plan under section 424A.015, subdivision 5;

(3) for the payment of temporary or permanent disability benefits to disabled members of the relief association if authorized and paid under law and specified in amount in the bylaws governing the relief association;

(4) for the payment of survivor benefits or for the payment of a death benefit to the estate of the deceased active or deferred firefighter, if authorized and paid under law and specified in amount in the bylaws governing the relief association;

(5) for the payment of the fees, dues and assessments to the Minnesota State Fire Department Association and to the Minnesota State Fire Chiefs Association in order to entitle relief association members to membership in and the benefits of these associations or organizations;

(6) for the payment of insurance premiums to the state Volunteer Firefighters Benefit Association, or an insurance company licensed by the state of Minnesota offering casualty insurance, in order to entitle relief association members to membership in and the benefits of the association or organization; ~~and~~

(7) for the payment of administrative expenses of the relief association as authorized under subdivision 3b-; and

(8) for the payment of a service pension to the former spouse of a member or former member of a relief association, if the former spouse is an alternate payee designated in a qualified domestic relations order under subdivision 5.

(b) Checks or authorizations for electronic fund transfers for disbursements authorized by this section must be signed by the relief association treasurer and at least one other elected trustee who has been designated by the board of trustees to sign the checks or authorizations. A relief association may make disbursements authorized by this subdivision by electronic fund transfers only if the specific method of payment and internal control policies and procedures regarding the method are approved by the board of trustees.

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

Sec. 15. Minnesota Statutes 2020, section 424A.05, is amended by adding a subdivision to read:

Subd. 5. Qualified domestic relations orders. (a) A "qualified domestic relations order" means a domestic relations order that creates or recognizes the existence of an alternate payee's right to or assigns to an alternate payee the right to receive a service pension that is all or any portion of the service pension payable with respect to a member or former member of a relief association.

(b) An "alternate payee" means the former spouse of a member or former member of a relief association, including a former spouse who is a distributee as defined in section 356.635, subdivision 7, clause (3).

(c) A relief association must comply with a qualified domestic relations order purporting to assign all or a portion of a service pension accrued under the retirement plan of the relief association, to the extent vested, if the payment or payments required by the order are within the limits described in section 518.58, subdivision 4, paragraph (a), clauses (1) to (4). For the purpose of applying section 518.58, subdivision 4, paragraph (a), "plan" or "pension plan" as used in paragraph (a) means the articles or bylaws of the relief association and chapter 424A, as applicable to the relief association.

(d) Notwithstanding any state law to the contrary, the bylaws of a relief association may permit distribution to an alternate payee under a qualified domestic relations order:

(1) as early as administratively practicable after the order is received by the relief association, even if the member whose service pension is being assigned to the alternate payee under the order has not yet reached age 50 or separated from active service with the fire department affiliated with the relief association; and

(2) in a lump sum, even if the relief association is a defined benefit relief association that pays monthly service pensions under section 424A.093.

(e) If the service pension is an eligible rollover distribution as defined in section 356.635, subdivisions 4 and 5, the relief association must permit the alternate payee to elect a direct rollover, as provided under section 356.635, subdivisions 3 to 7.

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

Sec. 16. Minnesota Statutes 2021 Supplement, section 424A.091, subdivision 3, is amended to read:

Subd. 3. Remedy for noncompliance; determination. (a) A municipality in which there exists a firefighters relief association as specified in subdivision 1 which does not comply with the applicable provisions of sections 424A.091 to 424A.096 or the provisions of any applicable special law relating to the funding or financing of the association does not qualify initially to receive, and is not entitled subsequently to retain, fire state aid under chapter 477B until the reason for the disqualification specified by the state auditor is remedied, whereupon the municipality or relief association, if otherwise qualified, is entitled to again receive fire state aid for the year occurring immediately subsequent to the year in which the disqualification is remedied.

(b) The state auditor shall determine if a municipality to which a firefighters' relief association is directly associated or a firefighters relief association fails to comply with the provisions of sections 424A.091 to 424A.096 or the funding or financing provisions of any applicable special law based upon the information contained in the annual financial report of the firefighters relief association required under section 424A.014, the actuarial valuation of the relief association, if applicable, the relief association officers' financial requirements of the relief association and minimum municipal obligation determination documentation under section 424A.092, subdivisions 3 and 4; 424A.093, subdivisions 4 and 5; or 424A.094, subdivision 2, if requested to be filed by the state auditor, the applicable municipal or independent nonprofit firefighting corporation budget, if requested to be filed by the state auditor, and any other relevant documents or reports obtained by the state auditor.

(c) The municipality or independent nonprofit firefighting corporation and the associated relief association are not eligible to receive or to retain fire state aid if:

(1) the relief association fails to prepare or to file the financial report or financial statement under section 424A.014;

(2) the relief association treasurer is not bonded in the manner and in the amount required by section 424A.014, subdivision 4;

(3) the relief association officers fail to determine or improperly determine the accrued liability and the annual accruing liability of the relief association under section 424A.092, subdivisions 2, 2a, and 3, paragraph (c), clause (2), if applicable;

(4) if applicable, the relief association officers fail to obtain and file a required actuarial valuation or the officers file an actuarial valuation that does not contain the special fund actuarial liability calculated under the entry age normal actuarial cost method, the special fund current assets, the special fund unfunded actuarial accrued liability, the special fund normal cost under the entry age normal actuarial cost method, the amortization requirement for the special fund unfunded actuarial accrued liability by the applicable target date, a summary of the applicable benefit plan, a summary of the membership of the relief association, a summary of the actuarial assumptions used in preparing the valuation, and a signed statement by the actuary attesting to its results and certifying to the qualifications of the actuary as an approved actuary under section 356.215, subdivision 1, paragraph (c);

(5) the municipality failed to provide a municipal contribution, or the independent nonprofit firefighting corporation failed to provide a corporate contribution, in the amount equal to the minimum municipal obligation if the relief association is governed under section 424A.092, or the amount necessary, when added to the fire state aid actually received in the plan year in question, to at least equal in total the calculated annual financial requirements of the special fund of the relief association if the relief association is governed under section 424A.093, and, if the municipal or corporate contribution is deficient, the municipality failed to include the minimum municipal obligation certified under section 424A.092, subdivision 3, or 424A.093, subdivision 5, in its budget and tax levy or the independent nonprofit firefighting corporation failed to include the minimum corporate obligation certified under section 424A.094, subdivision 2, in the corporate budget;

(6) the defined benefit relief association did not receive municipal ratification for the most recent plan amendment when municipal ratification was required under section 424A.02, subdivision 10; 424A.092, subdivision 6; or 424A.093, subdivision 6;

(7) the relief association invested special fund assets in an investment security that is not authorized under section 424A.095;

(8) the relief association had an administrative expense that is not authorized under section 424A.05, subdivision 3 or 3b, or the municipality had an expenditure that is not authorized under section 424A.08;

(9) the relief association officers fail to provide a complete and accurate public pension plan investment portfolio and performance disclosure under section 356.219;

(10) the relief association fails to obtain the acknowledgment from a broker of the statement of investment restrictions under section 356A.06, subdivision 8b;

(11) the relief association officers permitted to occur a prohibited transaction under section 356A.06, subdivision 9, or 424A.04, subdivision 2a, or failed to undertake correction of a prohibited transaction that did occur; or

(12) the relief association pays a defined benefit service pension in an amount that is in excess of the applicable ~~maximum~~ service pension ~~maximum amount~~ under section 424A.02, subdivision ~~2b or 2c~~ 3.

EFFECTIVE DATE. This section is effective January 1, 2023.

Sec. 17. Minnesota Statutes 2020, section 424A.092, subdivision 6, is amended to read:

Subd. 6. **Municipal ratification for ~~plan~~ bylaws amendments.** (a) The board of trustees of a relief association may adopt an amendment to the articles of incorporation or bylaws that increases the coverage, service pensions, or retirement benefits provided by the relief association only after preparing an estimate of the expected increase in the financial requirements and the accrued liability resulting from the amendment.

(b) For purposes of this subdivision, "financial requirements" means the amount calculated under subdivision 3, paragraph (c). "Accrued liability" means the amount calculated under subdivision 2 or 2a, as applicable. "Estimate" means the estimate required in paragraph (a).

(c) If the special fund of ~~the~~ a relief association to which this section applies does not have a surplus over full funding under subdivision 3, paragraph (c), clause (5), and if the municipality is required to provide financial support to the special fund of ~~the relief association~~ under this section, the ~~adoption of or any~~ board of trustees of the relief association may adopt an amendment to the articles of incorporation or bylaws of a relief association which ~~that~~ increases or otherwise affects the retirement coverage provided by or the, service pensions, or retirement benefits payable from the special fund of any provided by the relief association to which this section applies. The amendment is not effective until it is ratified by the governing body of the affiliated municipality served by the fire department to which the relief association is directly associated or by the independent nonprofit firefighting corporation, as applicable, and. The governing body may ratify such amendment only if the officers of a relief association shall not seek municipal ratification prior to preparing and certifying an estimate of the expected increase in the accrued liability and annual accruing liability of the relief association attributable to the amendment has delivered to the governing body the estimate described in paragraphs (a) and (b), certified by an officer of the relief association.

(d) If the special fund of ~~the~~ a relief association to which this section applies has a surplus over full funding under subdivision 3, paragraph (c), clause (5), and if the municipality is not required to provide financial support to the special fund of ~~the relief association~~ under this section, the relief association may adopt or amend its ~~an~~ amendment to the articles of incorporation or bylaws which increase or otherwise affect that increases the retirement coverage provided by or the, service pensions, or retirement benefits payable from the special fund of provided by the relief association which are.

(1) The amendment is effective if the municipality ratifies the amendment.

(2) The amendment is effective without municipal ratification so long as this does if the amendment satisfies paragraph (e).

(e) An amendment satisfies this paragraph if the estimate described in paragraphs (a) and (b) demonstrates that the amendment will not cause:

(1) the amount of the resulting increase in the accrued liability of the special fund of ~~the relief association~~ to exceed 90 percent of the amount of the surplus over full funding reported in the prior year; and this does not result in

(2) the financial requirements of the special fund of ~~the relief association~~ exceeding to exceed the expected amount of the future fire state aid and police and firefighter retirement supplemental state aid to be received by the relief association as determined by the board of trustees following the preparation of an estimate of the expected increase in the accrued liability and annual accruing liability of the relief association attributable to the change.

(f) If a relief association ~~adopts or amends its~~ the articles of incorporation or bylaws without municipal ratification under this subdivision, and, subsequent to the amendment ~~or adoption~~, the financial requirements of the special fund of the relief association under this section are such so as to require financial support from the municipality, the provision which was implemented without municipal ratification is no longer effective ~~without municipal ratification~~ and any service pensions or retirement benefits payable after that date may be paid only in accordance with the articles of incorporation or bylaws as amended ~~or adopted~~ with municipal ratification.

EFFECTIVE DATE. This section is effective January 1, 2023.

Sec. 18. Minnesota Statutes 2021 Supplement, section 424A.093, subdivision 1, is amended to read:

Subdivision 1. **Application.** (a) This section applies to any firefighters relief association specified in section 424A.091, subdivision 1, which pays or allows for an option of a monthly service pension to a retiring firefighter when at least the minimum requirements for entitlement to a service pension specified in section 424A.02, any applicable special legislation, and the articles of incorporation or bylaws of the relief association have been met. Each firefighters relief association to which this section applies shall determine the actuarial condition and funding costs of the special fund of the relief association in accordance with subdivisions 2 and 3, the financial requirements of the special fund of the relief association in accordance with subdivision 4, and the minimum obligation of the municipality with respect to the special fund of the relief association in accordance with subdivision 5.

(b) If a firefighters relief association that previously provided a monthly benefit service pension discontinues that practice and either replaces the monthly benefit amount with a ~~lump-sum~~ lump-sum benefit amount consistent with section 424A.02, subdivision ~~2e~~ 3, paragraph (a), clause (2), or purchases an annuity in the same amount as the monthly benefit from an insurance company licensed to do business in this state, the actuarial condition and funding costs, financial, and minimum municipal obligation requirements of section 424A.092 apply rather than this section.

EFFECTIVE DATE. This section is effective January 1, 2023.

Sec. 19. Minnesota Statutes 2020, section 424A.093, subdivision 6, is amended to read:

Subd. 6. **Municipal ratification for ~~plan~~ bylaws amendments.** (a) The board of trustees of a relief association may adopt an amendment to the articles of incorporation or bylaws that increases the coverage, service pensions, or retirement benefits provided by the relief association only after the board of trustees has had an updated actuarial valuation including the proposed change or an estimate of the expected actuarial impact of the proposed change prepared by the actuary of the relief association.

(b) If the special fund of ~~the~~ a relief association to which this section applies does not have a surplus over full funding under subdivision 4, and if the municipality is required to provide financial support to the special fund of ~~the~~ the relief association under this section, the ~~adoption of or any~~ board of trustees of the relief association may adopt an amendment to the articles of incorporation or bylaws ~~of a relief association which~~ that increases ~~or otherwise~~ affects the ~~retirement~~ coverage ~~provided by or the~~, service pensions, or retirement benefits ~~payable from the special fund of any~~ provided by the relief association ~~to which this section applies.~~ The amendment is not effective until it is ratified by the governing body of the affiliated municipality ~~served by the fire department to which the relief association is directly associated or by the~~ independent nonprofit firefighting corporation, as applicable. The governing body may ratify such amendment only if the relief association has delivered to the governing body the actuarial valuation or estimate described in paragraph (a), certified by an officer of the relief association.

(c) If the special fund of ~~the~~ a relief association to which this section applies has a surplus over full funding under subdivision 4, and if the municipality is not required to provide financial support to the special fund of ~~the~~ the relief association under this section, the relief association may adopt ~~or amend its~~ an amendment to the articles of incorporation or bylaws ~~which increase or otherwise affect~~ that increases the ~~retirement~~ coverage ~~provided by or the~~, service pensions, or retirement benefits ~~payable from the special fund of~~ provided by the relief association ~~which are.~~ The amendment is effective:

(1) if the municipality ratifies the amendment; or

~~effective~~ (2) without municipal ratification so long as this does if the amendment satisfies paragraph (d).

(d) An amendment satisfies this paragraph if the actuarial valuation or estimate described in paragraph (a) demonstrates that the amendment will not cause;

(1) the amount of the resulting increase in the accrued liability of the special fund of the relief association to exceed 90 percent of the amount of the surplus over full funding reported in the prior year; and this does not result in

(2) the financial requirements of the special fund of the relief association exceeding to exceed the expected amount of the future fire state aid and police and firefighter retirement supplemental state aid to be received by the relief association as determined by the board of trustees following the preparation of an updated actuarial valuation including the proposed change or an estimate of the expected actuarial impact of the proposed change prepared by the actuary of the relief association.

(e) If a relief association ~~adopts or~~ amends its articles of incorporation or bylaws without municipal ratification pursuant to this subdivision, and, subsequent to the amendment ~~or adoption~~, the financial requirements of the special fund of the relief association under this section are such so as to require financial support from the municipality, the provision which was implemented without municipal ratification is no longer effective ~~without municipal ratification~~ and any service pensions or retirement benefits payable after that date may be paid only in accordance with the articles of incorporation or bylaws as amended ~~or adopted~~ with municipal ratification.

EFFECTIVE DATE. This section is effective January 1, 2023.

Sec. 20. Minnesota Statutes 2020, section 424A.095, is amended to read:

424A.095 INVESTMENTS.

Subdivision 1. **Authorized investments.** (a) The special fund assets of a relief association governed by sections 424A.091 to 424A.096 must be invested in securities that are authorized investments under section 356A.06, subdivision 6 or 7, whichever applies.

(b) The governing board of the association may select and appoint a qualified private firm to measure management performance and return on investment, and the firm must use the formula or formulas developed by the state board under section 11A.04, clause (11).

Subd. 2. **Investment report.** (a) Annually, the state auditor must provide an investment report to each relief association that has complied with the reporting requirements under section 356.219, subdivisions 1 and 3. The investment report must contain the following information:

(1) the relief association's average annual rates of return for at least the previous one-, three-, five-, ten-, 15-, and 20-year periods for which the state auditor has investment information;

(2) the relief association's asset allocation;

(3) the average annual 1-year and 10-year benchmark rates of return;

(4) the average annual 1-year and 10-year rates of return for the statewide volunteer firefighter plan;

(5) the 1-year and 10-year average annual rates of return for the State Board of Investment supplemental investment fund; and

(6) a graphical comparison between:

(i) the relief association's average annual rates of return for the previous year and for the previous multiyear periods provided under clause (1); and

(ii) the average annual rates of return for the same periods for the supplemental investment fund's balanced fund or any successor fund.

(b) The state auditor shall select the benchmark rates of return based on the best practice in the industry.

(c) The relief association's board of trustees must certify to the state auditor that the board reviewed the investment report. The certification must accompany the audited financial statements or detailed financial statement under section 424A.014, subdivision 1 or 2, whichever applies. A copy of the report must be kept on file by the relief association and must be available for inspection by any member of the public.

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

Sec. 21. Minnesota Statutes 2021 Supplement, section 424A.10, subdivision 2, is amended to read:

Subd. 2. **Payment of supplemental benefit.** (a) Upon the payment by a volunteer firefighters relief association or by the statewide lump-sum volunteer firefighter plan of a lump-sum distribution to a qualified recipient, the association or retirement plan, as applicable, must pay a supplemental benefit to the qualified recipient. Notwithstanding any law to the contrary, the relief association must pay the supplemental benefit out of its special fund and the statewide lump-sum volunteer firefighter plan must pay the supplemental benefit out of the statewide lump-sum volunteer firefighter plan. This benefit is an amount equal to ten percent of the regular lump-sum distribution that is paid on the basis of the recipient's service as a volunteer firefighter. In no case may the amount of the supplemental benefit exceed \$1,000. A supplemental benefit under this paragraph may not be paid to a survivor of a deceased active or deferred volunteer firefighter in that capacity.

(b) Upon the payment by a relief association or the retirement plan of a lump-sum survivor benefit to a survivor of a deceased active volunteer firefighter or of a deceased deferred volunteer firefighter, the association or retirement plan, as applicable, must pay a supplemental survivor benefit to the survivor of the deceased active or deferred volunteer firefighter from the special fund of the relief association and the retirement plan must pay a supplemental survivor benefit to the survivor of the deceased active or deferred volunteer firefighter from the retirement fund if chapter 353G so provides. The amount of the supplemental survivor benefit is 20 percent of the survivor benefit, but not to exceed \$2,000.

(c) For purposes of this section, the term "regular lump-sum distribution" means the pretax lump-sum distribution excluding any interest that may have been credited during a volunteer firefighter's period of deferral.

(d) An individual may receive a supplemental benefit under paragraph (a) or under paragraph (b), but not under both paragraphs with respect to one lump-sum volunteer firefighter benefit.

(e) If a qualified recipient receives more than one lump-sum distribution, the qualified recipient is eligible to receive a supplemental benefit or supplemental survivor benefit, whichever is applicable, with each lump-sum distribution. Each supplemental benefit shall be calculated pursuant to paragraph (a) or (b), as applicable, and shall be subject to a separate limit.

(f) Qualified recipients who elect to receive their lump-sum distribution in installments under section 424A.016, subdivision 5, or 424A.02, subdivision 8, are eligible to receive one supplemental benefit calculated on the total lump-sum distribution amount under paragraph (a) or (b), as applicable.

EFFECTIVE DATE. This section is effective retroactively for supplemental benefits paid in 2018 and thereafter.

Sec. 22. Minnesota Statutes 2021 Supplement, section 424B.10, subdivision 1b, is amended to read:

Subd. 1b. **Benefits.** (a) The successor relief association following the consolidation of two or more defined benefit relief associations must be a defined benefit relief association.

(b) Notwithstanding any provision of section 424A.02, ~~subdivisions 2a to~~ subdivision 3, to the contrary, the initial service pension amount of the subsequent defined benefit relief association as of the effective date of consolidation is either the service pension amount specified in clause (1) or the service pension amounts specified in clause (2), as provided for in the consolidated relief association's articles of incorporation or bylaws:

(1) the highest dollar amount service pension amount of any prior volunteer firefighters relief association in effect immediately before the consolidation initiation if the pension amount was implemented consistent with section 424A.02; or

(2) for service rendered by each individual volunteer firefighter before consolidation, the service pension amount under the consolidating volunteer firefighters relief association that the firefighter belonged to immediately before the consolidation if the pension amount was implemented consistent with section 424A.02 and for service rendered after the effective date of the consolidation, the highest dollar amount service pension of any of the consolidating volunteer firefighters relief associations in effect immediately before the consolidation if the pension amount was implemented consistent with section 424A.02.

(c) Any increase in the service pension amount beyond the amount implemented under paragraph (a) must conform with the requirements and limitations of section 424A.02 and sections 424A.091 to 424A.095.

EFFECTIVE DATE. This section is effective January 1, 2023.

Sec. 23. Minnesota Statutes 2021 Supplement, section 424B.13, subdivision 4, is amended to read:

Subd. 4. **Benefit increase.** (a) If the relief association has a surplus as of the end of the relief association's most recent fiscal year before the conversion effective date, the board of trustees may approve a resolution that increases the lump-sum benefit or monthly pension amount or both the lump-sum and monthly pension amount, if the relief association offers both, and amends the relief association bylaws without the consent of the affiliated municipality or firefighting corporation, notwithstanding section 424A.02, subdivision 10. The resulting lump-sum benefit or monthly pension amount is not limited to the maximum lump-sum ~~benefit~~ service pension amount or maximum monthly service pension amount under section 424A.02, ~~subdivisions 2a to~~ subdivision 3.

(b) The benefit increase must not cause the liabilities of the retirement plan to exceed the value of the assets, after taking into account full vesting as required under subdivision 2 and any administrative expenses arising from the conversion.

(c) The board of trustees shall specify whether the benefit increase will apply only to participants who are members active as of the conversion effective date or whether the benefit increase will apply to all participants, including members who are not active as of the conversion effective date, notwithstanding section 424A.015, subdivision 6.

(d) The board of trustees' resolution approving an increase in the benefit level must be considered conditional on there being sufficient assets to fund the increase and must state that if, as of the date benefits are transferred to the defined contribution plan, there are not sufficient assets to cover all benefit liabilities at the new higher benefit level, the benefit level will be reduced until assets equal or are greater than liabilities. The resolution must state that the new lower benefit level will be considered approved by the board of trustees without further action by the board.

EFFECTIVE DATE. This section is effective January 1, 2023.

Sec. 24. Minnesota Statutes 2021 Supplement, section 424B.22, subdivision 4, is amended to read:

Subd. 4. **Benefit increase.** (a) Notwithstanding section 424A.02, subdivision 10, the board of trustees of a relief association may increase the benefit amount under a defined benefit relief association without the consent of the affiliated municipality or independent nonprofit firefighting corporation, as provided in this subdivision.

(b) If the retirement plan being terminated is a defined benefit plan, the board of trustees may approve an amendment to the bylaws of the relief association to increase the lump-sum or monthly pension amount or both the ~~lump~~ lump-sum and monthly pension amount, if the relief association offers both, up to 125 percent of the ~~largest~~ maximum lump-sum service pension amount under section 424A.02, subdivision 3, paragraph (a), clause (2), or the maximum monthly service pension amount ~~payable per month in effect under section 424A.02, subdivision 2b or 2e, respectively, without regard to the relief association's minimum average amount of available financing per firefighter~~ subdivision 3, paragraph (a), clause (1). The amount by which the lump-sum or monthly pension amount is increased must not cause the liabilities of the retirement plan to exceed the value of the assets, after taking into account full vesting as required under subdivision 3 and any administrative expenses.

(c) The board of trustees shall specify whether the benefit increase will apply to only participants who are members active as of the date of the termination of the retirement plan or whether the benefit increase will apply to all participants, including members who are not active as of the plan termination date.

EFFECTIVE DATE. This section is effective January 1, 2023.

Sec. 25. **REVISOR INSTRUCTION.**

In Minnesota Statutes, chapter 353G, the revisor of statutes shall change the term "good time service" to the term "service."

EFFECTIVE DATE. This section is effective January 1, 2023.

Sec. 26. **REPEALER.**

(a) Minnesota Statutes 2021 Supplement, section 424A.02, subdivisions 2a, 2b, and 2c, are repealed.

(b) Minnesota Statutes 2020, section 353G.09, subdivision 3, is repealed.

EFFECTIVE DATE. This section is effective January 1, 2023.

ARTICLE 5
DISABILITY ASSESSMENTS BY ADVANCED PRACTICE REGISTERED NURSES

Section 1. Minnesota Statutes 2020, section 352.01, is amended by adding a subdivision to read:

Subd. 27. **APRN.** "APRN" means an individual licensed as an advanced practice registered nurse by the Board of Nursing as defined in section 148.171, subdivision 3, who provides services to a member or applicant that are within the scope of the APRN's professional licensure.

Sec. 2. Minnesota Statutes 2020, section 352.113, subdivision 4, is amended to read:

Subd. 4. **Medical or psychological examinations; authorization for payment of benefit.** (a) Any physician, psychologist, chiropractor, physician assistant, podiatrist, or ~~nurse-practitioner~~ APRN providing any service specified in this section must be licensed.

(b) An applicant shall provide a detailed report signed by a physician, and at least one additional report signed by a physician, psychologist, chiropractor, physician assistant, podiatrist, or ~~nurse-practitioner~~ APRN with evidence to support an application for total and permanent disability. The reports must include an expert opinion regarding whether the employee is permanently and totally disabled within the meaning of section 352.01, subdivision 17, and that the disability arose before the employee was placed on any paid or unpaid leave of absence or terminated public service.

(c) If there is medical evidence that supports the expectation that at some point the person applying for the disability benefit will no longer be disabled, the decision granting the disability benefit may provide for a termination date upon which the total and permanent disability can be expected to no longer exist. When a termination date is part of the decision granting benefits, prior to the benefit termination the executive director shall review any evidence provided by the disabled employee to show that the disabling condition for which benefits were initially granted continues. If the benefits cease, the disabled employee may follow the appeal procedures described in section 356.96 or may reapply for disability benefits using the process described in this subdivision.

(d) Any claim to disability must be supported by a report from the employer indicating that there is no available work that the employee can perform with the disabling condition and that all reasonable accommodations have been considered. Upon request of the executive director, an employer shall provide evidence of the steps the employer has taken to attempt to provide reasonable accommodations and continued employment to the claimant.

(e) The director shall also obtain written certification from the employer stating whether the employment has ceased or whether the employee is on sick leave of absence because of a disability that will prevent further service to the employer and that the employee is not entitled to compensation from the employer.

(f) The medical adviser shall consider the reports of the physician, psychologist, chiropractor, physician assistant, podiatrist, or ~~nurse-practitioner~~ APRN and any other evidence supplied by the employee or other interested parties. If the medical adviser finds the employee totally and permanently disabled, the adviser shall make appropriate recommendation to the director in writing together with the date from which the employee has been totally disabled. The director shall then determine if the disability occurred while still in the employment of the state and constitutes a total and permanent disability as defined in section 352.01, subdivision 17.

(g) A terminated employee may apply for a disability benefit within 18 months of termination as long as the disability occurred while in the employment of the state. The fact that an employee is placed on leave of absence without compensation because of disability does not bar that employee from receiving a disability benefit.

(h) Upon appeal, the board of directors may extend the disability benefit application deadline in paragraph (g) by an additional 18 months if the terminated employee is determined by the board of directors to have a cognitive impairment that made it unlikely that the terminated employee understood that there was an application deadline or that the terminated employee was able to meet the application deadline.

(i) Unless the payment of a disability benefit has terminated because the employee is no longer totally disabled, or because the employee has reached normal retirement age as provided in this section, the disability benefit must cease with the last payment received by the disabled employee or which had accrued during the lifetime of the employee unless there is a spouse surviving. In that event, the surviving spouse is entitled to the disability benefit for the calendar month in which the disabled employee died.

Sec. 3. Minnesota Statutes 2020, section 352.95, subdivision 4, is amended to read:

Subd. 4. **Medical or psychological evidence.** (a) An applicant shall provide medical, chiropractic, or psychological evidence to support an application for disability benefits. The director shall have the employee examined by at least one additional licensed physician, APRN, chiropractor, or psychologist who is designated by the medical adviser. The physicians, APRNs, chiropractors, or psychologists with respect to a mental impairment, shall make written reports to the director concerning the question of the employee's disability, including their expert opinions as to whether the employee has an occupational disability within the meaning of section 352.01, subdivision 17a, and whether the employee has a duty disability, physical or psychological, under section 352.01, subdivision 17b, or has a regular disability, physical or psychological, under section 352.01, subdivision 17c. The director shall also obtain written certification from the employer stating whether or not the employee is on sick leave of absence because of a disability that will prevent further service to the employer performing normal duties as defined in section 352.01, subdivision 17d, or performing less frequent duties as defined in section 352.01, subdivision 17e, and as a consequence, the employee is not entitled to compensation from the employer.

(b) If, on considering the reports by the physicians, APRNs, chiropractors, or psychologists and any other evidence supplied by the employee or others, the medical adviser finds that the employee has an occupational disability within the meaning of section 352.01, subdivision 17a, the ~~adviser~~ adviser shall make the appropriate recommendation to the director, in writing, together with the date from which the employee has been disabled. The director shall then determine the propriety of authorizing payment of a duty disability benefit or a regular disability benefit as provided in this section.

(c) Unless the payment of a disability benefit has terminated because the employee no longer has an occupational disability, or because the employee has reached either age 55 or the five-year anniversary of the effective date of the disability benefit, whichever is later, the disability benefit must cease with the last payment which was received by the disabled employee or which had accrued during the employee's lifetime. While disability benefits are paid, the director has the right, at reasonable times, to require the disabled employee to submit proof of the continuance of an occupational disability. If any examination indicates to the medical adviser that the employee no longer has an occupational disability, the disability payment must be discontinued upon the person's reinstatement to state service or within 60 days of the finding, whichever is sooner.

Sec. 4. Minnesota Statutes 2020, section 352B.011, is amended by adding a subdivision to read:

Subd. 3a. **APRN.** "APRN" means an individual licensed as an advanced practice registered nurse by the Board of Nursing as defined in section 148.171, subdivision 3, who provides services to a member or applicant that are within the scope of the APRN's professional licensure.

Sec. 5. Minnesota Statutes 2020, section 352B.10, subdivision 4, is amended to read:

Subd. 4. **Proof of disability.** (a) No disability benefits may be paid unless the member provides adequate proof ~~is furnished~~ to the executive director of the existence of the disability.

(b) Adequate proof of a disability must include a written expert report by a licensed physician, ~~by a~~ APRN, or licensed chiropractor, or with respect to a mental impairment, by a licensed psychologist.

(c) Following the commencement of benefit payments, the executive director has the right, at reasonable times, to require the ~~disability~~ disability benefit recipient to submit proof of the continuance of the disability claimed.

Sec. 6. Minnesota Statutes 2020, section 353.01, is amended by adding a subdivision to read:

Subd. 50. **APRN.** "APRN" means an individual licensed as an advanced practice registered nurse by the Board of Nursing as defined in section 148.171, subdivision 3, who provides services to a member or applicant that are within the scope of the APRN's professional licensure.

Sec. 7. Minnesota Statutes 2020, section 353.031, subdivision 3, is amended to read:

Subd. 3. **Procedure to determine eligibility; generally.** (a) Every claim for a disability benefit must be initiated in writing on an application form and in the manner prescribed by the executive director and filed with the executive director. An application for disability benefits must be made within 18 months following termination of public service as defined under section 353.01, subdivision 11a.

(b) All medical reports must support a finding that the disability arose before the employee was placed on any paid or unpaid leave of absence or terminated public service, as defined under section 353.01, subdivision 11a.

(c) An applicant for disability shall provide a detailed report signed by a licensed medical doctor and at least one additional report signed by a medical doctor, psychologist, APRN, or chiropractor. The applicant shall authorize the release of all medical and health care evidence, including all medical records and relevant information from any source, to support the application for initial, or the continuing payment of, disability benefits.

(d) All reports must contain an opinion regarding the claimant's prognosis, the duration of the disability, and the expectations for improvement. Any report that does not contain and support a finding that the disability will last for at least one year may not be relied upon to support eligibility for benefits.

(e) Where the medical evidence supports the expectation that at some point in time the claimant will no longer be disabled, any decision granting disability may provide for a termination date upon which disability can be expected to no longer exist. In the event a termination date is made part of the decision granting benefits, prior to the actual termination of benefits, the claimant shall have the opportunity to show that the disabling condition for which benefits were initially granted continues. In the event the benefits terminate in accordance with the original decision, the claimant may petition for a review by the board of trustees under section 353.03, subdivision 3, or may reapply for disability in accordance with these procedures and section 353.33, 353.656, or 353E.06, as applicable.

(f) Any claim to disability must be supported by a report from the employer indicating that there is no available work that the employee can perform in the employee's disabled condition and that all reasonable accommodations have been considered. Upon request of the executive director, an employer shall provide evidence of the steps the employer has taken to attempt to provide reasonable accommodations and continued employment to the claimant. The employer shall also provide a certification of the member's past public service; the dates of any paid sick leave, vacation, or any other employer-paid salary continuation plan beyond the last working day; and whether or not any sick or annual leave has been allowed.

(g) An employee who is placed on leave of absence without compensation because of a disability is not barred from receiving a disability benefit.

(h) An applicant for disability benefits may file a retirement annuity application under section 353.29, subdivision 4, simultaneously with an application for disability benefits. If the application for disability benefits is approved, the retirement annuity application is canceled. If disability benefits are denied, the retirement annuity application must be processed upon the request of the applicant. No member of the public employees general plan, the public employees police and fire plan, or the local government correctional service retirement plan may receive a disability benefit and a retirement annuity simultaneously from the same plan.

Sec. 8. Minnesota Statutes 2020, section 353.031, subdivision 8, is amended to read:

Subd. 8. **Proof of continuing disability.** (a) A disability benefit payment must not be made except upon adequate proof furnished to the executive director of the association that the person remains disabled.

(b) During the time when disability benefits are being paid, the executive director of the association has the right, at reasonable times, to require the disabled member to submit proof of the continuance of the disability claimed.

(c) Adequate proof of a disability must include a written expert report by a licensed physician, a APRN, or licensed chiropractor, or, with respect to a mental impairment, a licensed psychologist.

Sec. 9. Minnesota Statutes 2020, section 354.05, is amended by adding a subdivision to read:

Subd. 43. **APRN.** "APRN" means an individual licensed as an advanced practice registered nurse by the Board of Nursing as defined in section 148.171, subdivision 3, who provides services to a member or applicant that are within the scope of the APRN's professional licensure.

Sec. 10. Minnesota Statutes 2020, section 354.48, subdivision 4, is amended to read:

Subd. 4. **Determination by executive director.** (a) The executive director shall have the member examined by at least two licensed physicians, licensed chiropractors, or licensed psychologists.

(b) These physicians, chiropractors, APRNs, or psychologists with respect to a mental impairment, shall make written reports to the executive director concerning the member's disability, including expert opinions as to whether or not the member is permanently and totally disabled within the meaning of section 354.05, subdivision 14.

(c) The executive director shall also obtain written certification from the last employer stating whether or not the member was separated from service because of a disability which would reasonably prevent further service to the employer and as a consequence the member is not entitled to compensation from the employer.

(d) If, upon the consideration of the reports of the physicians, chiropractors, APRNs, or psychologists and any other evidence presented by the member or by others interested therein, the executive director finds that the member is totally and permanently disabled, the executive director shall grant the member a disability benefit.

(e) An employee who is placed on leave of absence without compensation because of disability is not barred from receiving a disability benefit.

Sec. 11. Minnesota Statutes 2020, section 354.48, subdivision 6, is amended to read:

Subd. 6. **Regular physical examinations.** At least once each year during the first five years following the allowance of a disability benefit to any member, and at least once in every three-year period thereafter, the executive director may require the disability benefit recipient to undergo an expert examination by a physician or physicians, by a chiropractor or chiropractors, by an APRN or APRNs, or by one or more psychologists with respect to a mental

impairment, engaged by the executive director. If an examination indicates that the member is no longer permanently and totally disabled or that the member is engaged or is able to engage in a substantial gainful occupation, payments of the disability benefit by the association must be discontinued. The payments must be discontinued as soon as the member is reinstated to the payroll following sick leave, but payment may not be made for more than 60 days after the physicians, ~~the~~ chiropractors, APRNs, or ~~the~~ psychologists engaged by the executive director find that the person is no longer permanently and totally disabled.

Sec. 12. Minnesota Statutes 2020, section 354.48, subdivision 6a, is amended to read:

Subd. 6a. **Medical adviser; duties.** The executive director may contract with an accredited independent organization specializing in disability determinations, licensed physicians, or physicians on the staff of the commissioner of health as designated by the commissioner, to be the medical adviser to the executive director. The medical adviser shall designate licensed physicians, ~~licensed chiropractors, or licensed psychologists with respect to a mental impairment,~~ who shall examine applicants for disability benefits. The medical adviser shall pass upon all expert reports based on any examinations performed in order to determine whether a teacher is totally and permanently disabled as defined in section 354.05, subdivision 14. The medical adviser shall also investigate all health and medical statements and certificates by or on behalf of a teacher in connection with a disability benefit, and shall report in writing to the director setting forth any conclusions and recommendations on all matters referred to the medical adviser.

Sec. 13. Minnesota Statutes 2020, section 354A.011, is amended by adding a subdivision to read:

Subd. 6a. **APRN.** "APRN" means an individual licensed as an advanced practice registered nurse by the Board of Nursing as defined in section 148.171, subdivision 3, who provides services to a member or applicant that are within the scope of the APRN's professional licensure.

Sec. 14. Minnesota Statutes 2020, section 354A.011, is amended by adding a subdivision to read:

Subd. 14b. **Medical expert.** For purposes of section 354A.36, "medical expert" means a licensed physician, licensed chiropractor, APRN, or licensed psychologist, in each case working within the scope of the individual's professional licensure.

Sec. 15. Minnesota Statutes 2020, section 354A.36, subdivision 4, is amended to read:

Subd. 4. **Determination of disability.** (a) The board of the teachers retirement fund association shall make the final determination of the existence of a permanent and total disability. The board shall have the coordinated member examined by at least two ~~licensed physicians, licensed chiropractors, or licensed psychologists who are selected by the board~~ medical experts. After making ~~any a~~ a required ~~examinations~~ examination, each ~~physician, chiropractor, or psychologist with respect to a mental impairment,~~ medical expert shall make a written report to the board concerning the coordinated member, which shall include ~~a statement~~ an opinion of the ~~medical expert~~ opinion of the ~~physician, chiropractor, or psychologist~~ as to whether or not the member is permanently and totally disabled within the meaning of section 354A.011, subdivision 14. The board shall also obtain a written statement from the employer as to whether or not the coordinated member was terminated or separated from active employment due to a disability which is deemed by the employer to reasonably prevent further service by the member to the employer and which caused the coordinated member not to be entitled to further compensation from the employer for services rendered by the member. If, after consideration of the reports of the ~~physicians, chiropractors, or psychologists with respect to a mental impairment~~ medical experts and any medical adviser retained by the board under subdivision 4a, the employer statement, and any evidence presented by the member or ~~by~~ any other interested parties, the board determines that the coordinated member is totally and permanently disabled within the meaning of section 354A.011, subdivision 14, ~~the board~~ shall grant the coordinated member a disability benefit. A member who is placed on a leave of absence without compensation as a result of the disability is not barred from receiving a disability benefit under this section.

(b) The executive director shall reject an application for disability benefits under section 354A.36 if the member is applying only because an employer-sponsored provider of private disability insurance benefits requires the application and the member would not have applied for disability benefits in the absence of the requirement. The member shall submit a copy of the disability insurance policy that requires an application for disability benefits from the plan if the member wishes to assert that the application is only being submitted because of the disability insurance policy requirement.

Sec. 16. Minnesota Statutes 2020, section 354A.36, is amended by adding a subdivision to read:

Subd. 4a. **Medical adviser; duties.** The executive director may contract with an independent medical expert or an accredited organization specializing in disability determinations to serve as a medical adviser to the board. The medical adviser shall review all expert reports based on any examinations performed in order to determine whether a coordinated member is totally and permanently disabled as defined in section 354A.011, subdivision 14. The medical adviser shall also investigate all health and medical statements and certificates by or on behalf of a member in connection with a disability benefit and shall report in writing to the board, setting forth any conclusions and recommendations on all matters referred to the medical adviser. The board shall have sole discretion to select the appropriate licensed medical professional or organization to serve as the medical adviser.

Sec. 17. Minnesota Statutes 2020, section 354A.36, subdivision 6, is amended to read:

Subd. 6. **Requirement for regular physical examinations.** At least once each year during the first five years following the granting of a disability benefit to a coordinated member ~~by the board~~ and at least once in every three-year period thereafter, the board may require the disability benefit recipient to undergo an expert examination as a condition for continued entitlement of the benefit recipient to receive a disability benefit. ~~If the board requires an examination, the expert examination must be made at the place of residence of the disability benefit recipient or at any other place mutually agreeable to the disability benefit recipient and the board.~~ The expert examination must be made by a ~~physician or physicians, by a chiropractor or chiropractors, or by one or more psychologists~~ medical expert engaged by the board, in its sole discretion. ~~The physician or physicians, the chiropractor or chiropractors, or the psychologist or psychologists with respect to a mental impairment,~~ medical expert conducting the expert examination shall make a written report to the board concerning the disability benefit recipient and the recipient's disability, including a statement of the ~~expert~~ medical expert's ~~opinion of the physician, chiropractor, or psychologist~~ as to whether or not the member remains permanently and totally disabled within the meaning of section 354A.011, subdivision 14. If the board determines from consideration of the ~~written expert examination~~ medical expert's report of the physician, of the chiropractor, or of the psychologist, with respect to a mental impairment, that the disability benefit recipient is no longer permanently and totally disabled or ~~if the board determines~~ that the benefit recipient is engaged or ~~is~~ able to engage in a gainful occupation, unless the disability benefit recipient is partially employed under subdivision 7, then further disability benefit payments from the fund must be discontinued within 60 days of the determination by the board. The discontinuation of disability benefits must occur immediately if the disability recipient is reinstated to the district payroll following sick leave ~~and within 60 days of the determination by the board following the expert examination and report of the physician or physicians, chiropractor or chiropractors, or psychologist or psychologists engaged by the board that the disability benefit recipient is no longer permanently and totally disabled within the meaning of section 354A.011, subdivision 14.~~

Sec. 18. **EFFECTIVE DATE.**

Sections 1 to 17 are effective the day following final enactment.

ARTICLE 6
STATE BOARD OF INVESTMENT

Section 1. Minnesota Statutes 2020, section 11A.04, is amended to read:

11A.04 DUTIES AND POWERS; APPROPRIATION.

The state board shall:

(1) Act as trustees for each fund for which it invests or manages money in accordance with the standard of care set forth in section 11A.09 if state assets are involved and in accordance with chapter 356A if pension assets are involved.

(2) Formulate policies and procedures deemed necessary and appropriate to carry out its functions. Procedures adopted by the board must allow fund beneficiaries and members of the public to become informed of proposed board actions. Procedures and policies of the board are not subject to the Administrative Procedure Act.

(3) Employ an executive director as provided in section 11A.07.

(4) Employ investment advisors and consultants as it deems necessary.

(5) Prescribe policies concerning personal investments of all employees of the board to prevent conflicts of interest.

(6) Maintain a record of its proceedings.

(7) As it deems necessary, establish advisory committees subject to section 15.059 to assist the board in carrying out its duties.

(8) Not permit state funds to be used for the underwriting or direct purchase of municipal securities from the issuer or the issuer's agent.

(9) Direct the commissioner of management and budget to sell property other than money that has escheated to the state when the board determines that sale of the property is in the best interest of the state. Escheated property must be sold to the highest bidder in the manner and upon terms and conditions prescribed by the board.

(10) Undertake any other activities necessary to implement the duties and powers set forth in this section.

(11) Establish a formula or formulas to measure management performance and return on investment. Public pension funds in the state shall utilize the formula or formulas developed by the state board.

(12) Except as otherwise provided in article XI, section 8, of the Constitution of the state of Minnesota, employ, at its discretion, qualified private firms to invest and manage the assets of funds over which the state board has investment management responsibility. There is annually appropriated to the state board, from the assets of the funds for which the state board utilizes a private investment manager, sums sufficient to pay the costs of employing private firms. Each year, by January 15, the board shall report to the governor and legislature on the cost and the investment performance of each investment manager employed by the board.

(13) Adopt an investment policy statement that includes investment objectives, asset allocation, and the investment management structure for the retirement fund assets under its control. The statement may be revised at the discretion of the state board. The state board shall seek the advice of the council regarding its investment policy statement. Adoption of the statement is not subject to chapter 14.

(14) Adopt a compensation plan setting the terms and conditions of employment for unclassified employees of the state board ~~employees who are not covered by a collective bargaining agreement~~ pursuant to section 43A.18, subdivision 3b.

(15) Contract, as necessary, with the board of trustees of the Minnesota State Universities and Colleges System for the provision of investment review and selection services under section 354B.25, subdivision 3, and arrange for the receipt of payment for those services.

There is annually appropriated to the state board, from the assets of the funds for which the state board provides investment services, sums sufficient to pay the costs of all necessary expenses for the administration of the board. These sums will be deposited in the State Board of Investment operating account, which must be established by the commissioner of management and budget.

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

Sec. 2. Minnesota Statutes 2020, section 11A.07, subdivision 4, is amended to read:

Subd. 4. **Duties and powers.** The director, at the direction of the state board, shall:

(1) plan, direct, coordinate, and execute administrative and investment functions in conformity with the policies and directives of the state board and the requirements of this chapter and of chapter 356A;

(2) prepare and submit biennial and annual budgets to the board and with the approval of the board submit the budgets to the Department of Management and Budget;

(3) employ professional and clerical staff as necessary. ~~Employees whose primary responsibility is to invest or manage money or employees who hold positions designated as unclassified under section 43A.08, subdivision 1a, are in the unclassified service of the state. Other employees are in the classified service. Unclassified employees who are not covered by a collective bargaining agreement are employed under the terms and conditions of the compensation plan approved under section 43A.18, subdivision 3b;~~

(4) report to the state board on all operations under the director's control and supervision;

(5) maintain accurate and complete records of securities transactions and official activities;

(6) establish a policy, which is subject to state board approval, relating to the purchase and sale of securities on the basis of competitive offerings or bids. ~~The policy is subject to board approval;~~

(7) cause securities acquired to be kept in the custody of the commissioner of management and budget or other depositories consistent with chapter 356A, as the state board deems appropriate;

(8) prepare and file with the director of the Legislative Reference Library, by December 31 of each year, a report summarizing the activities of the state board, the council, and the director during the preceding fiscal year. ~~The report must be prepared so as to provide the legislature and the people of the state with a clear, comprehensive summary of the portfolio composition, the transactions, the total annual rate of return, and the yield to the state treasury and to each of the funds whose assets are invested by the state board, and the recipients of business placed or commissions allocated among the various commercial banks, investment bankers, money managers, and brokerage organizations and the amount of these commissions or other fees. The report must include an executive summary;~~

(9) include on the state board's website its annual report and an executive summary of its quarterly reports;

(10) require state officials from any department or agency to produce and provide access to any financial documents the state board deems necessary in the conduct of its investment activities;

(11) receive and expend legislative appropriations; and

(12) undertake any other activities necessary to implement the duties and powers set forth in this subdivision consistent with chapter 356A.

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

Sec. 3. Minnesota Statutes 2020, section 11A.07, is amended by adding a subdivision to read:

Subd. 4a. Classification of state board employees. (a) Employees of the state board who are in the unclassified service of the state are employed under the terms and conditions of the compensation plan approved under section 43A.18, subdivision 3b. The following state board employees are in the unclassified service of the state:

(1) professional employees who, in the determination of the director, are primarily responsible for managing or administering the investment portfolio, including but not limited to investment diligence and analysis, investment risk mitigation, and implementing investment strategy; and

(2) employees who hold positions designated as unclassified under section 43A.08, subdivision 1a.

(b) Employees of the state board who are not in the unclassified service under paragraph (a) are in the classified service of the state.

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

Sec. 4. Minnesota Statutes 2020, section 11A.07, is amended by adding a subdivision to read:

Subd. 4b. Annual report. The report required under subdivision 4, clause (8), must include an executive summary and must be prepared so as to provide the legislature and the people of the state with:

(1) a clear, comprehensive summary of the portfolio composition, the transactions, the total annual rate of return, and the yield to the state treasury and to each of the funds with assets invested by the state board; and

(2) the recipients of business placed or commissions allocated among the various commercial banks, investment bankers, money managers, and brokerage organizations and the amount of these commissions or other fees.

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

Sec. 5. Minnesota Statutes 2020, section 43A.18, subdivision 3b, is amended to read:

Subd. 3b. State Board of Investment plan. Total compensation for unclassified positions ~~not covered by a collective bargaining agreement~~ under section 11A.04, clause (14), in the State Board of Investment must be determined by the State Board of Investment. Before submitting a compensation plan to the legislature and the Legislative Coordinating Commission, the State Board of Investment must submit the plan to the commissioner of management and budget for review and comment. The commissioner must complete the review within 14 days of its receipt. Compensation plans established under this subdivision must be approved by the legislature and the Legislative Coordinating Commission under section 3.855, before becoming effective.

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

Sec. 6. Minnesota Statutes 2020, section 179A.10, subdivision 1, is amended to read:

Subdivision 1. **Exclusions.** The commissioner of management and budget shall meet and negotiate with the exclusive representative of each of the units specified in this section, except as provided in section 43A.06, subdivision 1, paragraph (c). The units provided in this section are the only appropriate units for executive branch state employees. The following employees shall be excluded from any appropriate unit:

(1) the positions and classes of positions in the classified and unclassified services defined as managerial by the commissioner of management and budget in accordance with section 43A.18, subdivision 3, and so designated in the official state compensation schedules;

(2) unclassified positions in the Minnesota State Colleges and Universities defined as managerial by the Board of Trustees;

(3) positions of all unclassified employees appointed by a constitutional officer;

(4) positions in the Bureau of Mediation Services and the Public Employment Relations Board;

(5) positions of employees whose classification is pilot or chief pilot;

(6) administrative law judge and compensation judge positions in the Office of Administrative Hearings; ~~and~~

(7) positions of all confidential employees; and

(8) positions of employees of the State Board of Investment who are employed under the terms and conditions of the compensation plan approved under section 43A.18, subdivision 3b.

The governor may upon the unanimous written request of exclusive representatives of units and the commissioner direct that negotiations be conducted for one or more units in a common proceeding or that supplemental negotiations be conducted for portions of a unit or units defined on the basis of appointing authority or geography.

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

ARTICLE 7 STUDY OF ADEQUACY OF POLICE DISABILITY BENEFITS

Section 1. **DEPARTMENT OF LABOR AND INDUSTRY; STUDY OF ADEQUACY OF POLICE DISABILITY BENEFITS.**

The Department of Labor and Industry shall study the adequacy of current benefits available to disabled or injured police officers. The study shall consider workers' compensation, disability, and pension benefits and the adequacy of these benefits for Minnesota police officers. At least one public hearing shall be held. The Public Employees Retirement Association shall cooperate with the department in conducting this study. The department shall issue a report no later than January 15, 2023, to the chairs and ranking minority members of the legislative committees with jurisdiction over public safety and employment issues and to the chair of the Legislative Commission on Pensions and Retirement.

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

ARTICLE 8
TECHNICAL CLARIFICATIONS AND CORRECTIONS

Section 1. Minnesota Statutes 2020, section 352.87, subdivision 6, is amended to read:

Subd. 6. **Disability benefit coordination.** If the eligible employee is entitled to receive a disability benefit as provided in subdivision 4 or 5 and has allowable service credit under this section for less service than the length of service upon which the disability benefit in subdivision 4 or 5 is based, and also has allowable service in the general plan not includable in this section, the employee is entitled to a disability benefit or deferred retirement annuity based on the general plan service not includable in this section only for the service that, when combined with the service includable in this section, exceeds the number of years on which the disability benefit provided in subdivision 4 or 5 is based. The benefit recipient under subdivision 4 or 5 who also has credit for regular plan service must in all respects qualify under section 352.113 to be entitled to receive a disability benefit based on the general plan service not includable in this section, except that the service may be combined to satisfy length of service requirements. Any deferred annuity to which the employee may be entitled based on general plan service not includable in this section must be augmented as provided in section ~~352.72, subdivision 2~~ 352.22, subdivision 3a, while the employee is receiving a disability benefit under this section.

Sec. 2. Minnesota Statutes 2020, section 352.94, is amended to read:

352.94 AUGMENTATION FOR EMPLOYEES WITH GENERAL AND CORRECTIONAL SERVICE.

An employee who becomes covered by the correctional plan after serving as a general plan covered employee, or becomes covered by the general plan after serving as a correctional plan covered employee, is covered under section ~~352.72, subdivision 2~~ 356.311.

Sec. 3. Minnesota Statutes 2020, section 352.95, subdivision 6, is amended to read:

Subd. 6. **Disability benefit for certain employees with regular plan service.** If the employee is entitled to receive a disability benefit as provided in subdivision 1 or 2 and has credit for less covered correctional service than the length of service upon which the correctional disability benefit is based, and also has credit for regular plan service, the employee is entitled to a disability benefit or deferred retirement annuity based on the regular plan service only for that service which when combined with the correctional service exceeds number of years on which the correctional disability benefit is based. The disabled employee who also has credit for regular plan service must in all respects qualify under section 352.113 for a disability benefit based on the regular plan service, except that the service may be combined to satisfy length of service requirements. Any deferred annuity to which the employee is entitled based on regular plan service must be augmented as provided in section ~~352.72~~ 352.22, subdivision 3a, while the employee is receiving a disability benefit under this section.

Sec. 4. Minnesota Statutes 2020, section 352B.05, is amended to read:

352B.05 INVESTMENTS.

The State Board of Investment may invest and reinvest any portions of the State Patrol retirement fund not needed for immediate purposes. The executive director of the Minnesota State Retirement System shall determine what funds may be invested. Money may be invested in securities authorized as legal investments for the Minnesota State Retirement System. The state board may sell, convey, and exchange securities and invest and reinvest the funds when it deems it desirable to do so. The state board shall sell securities upon request from the executive director when the executive director determines funds are needed for its purposes. Provisions regarding accounting procedures and restrictions and conditions for the purchase and sale of securities for the Minnesota State Retirement System apply to the accounting, purchase, and sale of securities for the State Patrol retirement fund.

Sec. 5. Minnesota Statutes 2020, section 353.031, subdivision 7, is amended to read:

Subd. 7. **Refusal of examination or medical evidence.** If a person applying for or receiving a disability benefit refuses to submit to a medical examination under subdivision 6, or fails to provide or to authorize the release of medical evidence under subdivision 3 or 8, the association shall cease the application process or shall discontinue the payment of a disability benefit, whichever is applicable. Upon the receipt of the requested medical evidence, the association shall resume the application process or the payment of a disability benefit upon approval for the continuation, whichever is applicable.

Sec. 6. Minnesota Statutes 2020, section 353.32, subdivision 1a, is amended to read:

Subd. 1a. **Surviving spouse optional annuity.** (a) If a member or former member who is vested under section 353.01, subdivision 47, and who dies before the annuity or disability benefit begins to accrue under section 353.29, subdivision 7, or 353.33, subdivision 2, notwithstanding any designation of beneficiary to the contrary, the surviving spouse may elect to receive, instead of a refund with interest under subdivision 1, or surviving spouse benefits otherwise payable under section 353.31, an annuity equal to a 100 percent joint and survivor annuity computed consistent with section 353.30, subdivision 1a, 1c, or 5, whichever is applicable.

(b) If a member first became a public employee or a member of a pension fund listed in section 356.30, subdivision 3, before July 1, 1989, and has credit for at least 30 years of allowable service on the date of death, the surviving spouse may elect to receive a 100 percent joint and survivor annuity computed using section 353.30, subdivision 1b, except that the early retirement reduction under that provision will be applied from age 62 back to age 55 and one-half of the early retirement reduction from age 55 back to the age payment begins.

(c) If a member who was under age 55 and who is vested under section 353.01, subdivision 47, dies, but did not qualify for retirement on the date of death, the surviving spouse may elect to receive a 100 percent joint and survivor annuity computed using section 353.30, subdivision 1c or 5, as applicable, except that the early retirement reduction specified in the applicable subdivision will be applied to age 55 and one-half of the early retirement reduction from age 55 back to the age payment begins.

(d) Notwithstanding the definition of surviving spouse in section 353.01, subdivision 20, a former spouse of the member, if any, is entitled to a portion of the monthly surviving spouse optional annuity if stipulated under the terms of a marriage dissolution decree filed with the association. If there is no surviving spouse or child or children, a former spouse may be entitled to a lump-sum refund payment under subdivision 1, if provided for in a marriage dissolution decree, but not a monthly surviving spouse optional annuity, despite the terms of a marriage dissolution decree filed with the association.

(e) The surviving spouse eligible for surviving spouse benefits under paragraph (a) may apply for the annuity at any time after the date on which the deceased employee would have attained the required age for retirement based on the employee's allowable service. The surviving spouse eligible for surviving spouse benefits under paragraph (b) or (c) may apply for an annuity any time after the member's death.

(f) ~~Sections Section 353.34, subdivision 3, and 353.71, subdivision 2, apply~~ applies to a deferred annuity or surviving spouse benefit payable under this subdivision.

(g) An amount equal to any excess of the accumulated contributions that were credited to the account of the deceased employee over and above the total of the annuities paid and payable to the surviving spouse must be paid to the surviving spouse's estate.

(h) A member may specify in writing, with the signed consent of the spouse, that this subdivision does not apply and that payment may be made only to the designated beneficiary as otherwise provided by this chapter. The waiver of a surviving spouse annuity under this section does not make a dependent child eligible for benefits under subdivision 1c.

(i) If the deceased member or former member first became a public employee or a member of a public pension plan listed in section 356.30, subdivision 3, on or after July 1, 1989, a survivor annuity computed under paragraph (a) or (c) must be computed as specified in section 353.30, subdivision 5, except for the revised early retirement reduction specified in paragraph (c), if paragraph (c) is the applicable provision.

(j) For any survivor annuity determined under this subdivision, the payment is to be based on the total allowable service that the member had accrued as of the date of death and the age of the member and surviving spouse on that date.

Sec. 7. Minnesota Statutes 2020, section 353.34, subdivision 5, is amended to read:

Subd. 5. **Refundment Right to a refund generally unlimited.** The right of ~~refundment to a refund~~ provided in this chapter, and laws amendatory thereof, is not restricted as to time unless specifically provided and the statute of limitation does not apply thereto.

Sec. 8. Minnesota Statutes 2020, section 353.657, subdivision 2a, is amended to read:

Subd. 2a. **Death while eligible survivor benefit.** (a) If a member or former member who has attained the age of at least 50 years and either who is vested under section 353.01, subdivision 47, or who has credit for at least 30 years of allowable service, regardless of age attained, dies before the annuity or disability benefit becomes payable, notwithstanding any designation of beneficiary to the contrary, the surviving spouse may elect to receive a death while eligible survivor benefit.

(b) Notwithstanding the definition of surviving spouse in section 353.01, subdivision 20, a former spouse of the member, if any, is entitled to a portion of the death while eligible survivor benefit if stipulated under the terms of a marriage dissolution decree filed with the association. If there is no surviving spouse or child or children, a former spouse may be entitled to a lump-sum refund payment under section 353.32, subdivision 1, if provided for in a marriage dissolution decree but not a death while eligible survivor benefit despite the terms of a marriage dissolution decree filed with the association.

(c) The benefit may be elected instead of a refund with interest under section 353.32, subdivision 1, or surviving spouse benefits otherwise payable under subdivisions 1 and 2. The benefit must be an annuity equal to the 100 percent joint and survivor annuity which the member could have qualified for on the date of death, computed as provided in sections 353.651, subdivision 3, and 353.30, subdivision 3.

(d) The surviving spouse may apply for the annuity at any time after the date on which the deceased employee would have attained the required age for retirement based on the employee's allowable service. ~~Sections~~ Section 353.34, subdivision 3, ~~and 353.71, subdivision 2, apply~~ applies to a deferred annuity payable under this subdivision.

(e) No payment accrues beyond the end of the month in which entitlement to such annuity has terminated. An amount equal to the excess, if any, of the accumulated contributions which were credited to the account of the deceased employee over and above the total of the annuities paid and payable to the surviving spouse must be paid to the deceased member's last designated beneficiary or, if none, to the legal representative of the estate of such deceased member.

(f) Any member may request in writing, with the signed consent of the spouse, that this subdivision not apply and that payment be made only to the designated beneficiary, as otherwise provided by this chapter.

(g) For a member who is employed as a full-time firefighter by the Department of Military Affairs of the state of Minnesota, allowable service as a full-time state Military Affairs Department firefighter credited by the Minnesota State Retirement System may be used in meeting the minimum allowable service requirement of this subdivision.

Sec. 9. Minnesota Statutes 2020, section 353.68, subdivision 4, is amended to read:

Subd. 4. **Deferred annuity.** The deferred annuity of section 353.34, subdivision 3, as it applies to members of the police and fire fund, begins and is computed in the manner provided in section 353.651 on the basis of the law in effect on the date of termination of public service. The deferred annuity is augmented under section ~~353.74, subdivision 2~~ 353.34, subdivision 3.

Sec. 10. Minnesota Statutes 2020, section 356.20, subdivision 2, is amended to read:

Subd. 2. **Covered public pension plans and funds.** This section applies to the following public pension plans:

- (1) the general state employees retirement plan of the Minnesota State Retirement System;
- (2) the general employees retirement plan of the Public Employees Retirement Association;
- (3) the Teachers Retirement Association;
- (4) the State Patrol retirement plan;
- (5) the St. Paul Teachers Retirement Fund Association;
- (6) the University of Minnesota faculty retirement plan;
- (7) the University of Minnesota faculty supplemental retirement plan;
- (8) the judges retirement fund;
- (9) the Bloomington Fire Department Relief Association;
- (10) a volunteer firefighter relief association governed by section 424A.091;
- (11) the public employees police and fire plan of the Public Employees Retirement Association;
- (12) the correctional state employees retirement plan of the Minnesota State Retirement System;
- (13) the local government correctional service retirement plan of the Public Employees Retirement Association; and
- (14) the statewide ~~lump sum~~ volunteer firefighter plan.

Sec. 11. Minnesota Statutes 2020, section 356.24, subdivision 3, is amended to read:

Subd. 3. **Deferred compensation plan.** (a) As used in this section, ~~a~~:

- (1) "deferred compensation plan" means a plan that satisfies the requirements ~~in~~ of this subdivision;
- (2) "plan administrator" means the individual or entity defined as the plan administrator in the plan document for the Minnesota deferred compensation plan under section 352.965 or a deferred compensation plan under section 457(b) of the Internal Revenue Code; and
- (3) "vendor" means the provider of an annuity contract, custodial account, or retirement income account under a tax-sheltered annuity plan under section 403(b) of the Internal Revenue Code.

(b) The plan is:

- (1) the Minnesota deferred compensation plan under section 352.965;
- (2) a tax-sheltered annuity ~~program plan~~ plan under section 403(b) of the Internal Revenue Code; or
- (3) a deferred compensation plan under section 457(b) of the Internal Revenue Code.

(c) For each investment fund available to participants under the plan, other than in a self-directed brokerage account, the plan administrator or custodian vendor discloses at least annually to participants a statement that sets forth (1) all fees, including administrative, maintenance, and investment fees, that impact the rate of return on each investment fund available under the plan, and (2) ~~for each investment fund,~~ the rates of return for the prior one-, three-, five-, and ten-year periods or for the life of the fund, if shorter, in an easily understandable document. The plan administrator or ~~custodian~~ vendor must file a copy of this ~~document~~ statement with the executive director of the Legislative Commission on Pensions and Retirement within 30 days of the end of each fiscal year of the plan.

(d) Enrollment in the plan is provided for in:

- (1) a personnel policy of the public employer;
- (2) a collective bargaining agreement between the public employer and the exclusive representative of public employees in an appropriate unit; or
- (3) an individual employment contract between a city and a city manager.

(e) The plan covers employees of a school district, state agency, or other governmental subdivision. The plan may cover city managers covered by an alternative retirement arrangement under section 353.028, subdivision 3, paragraph (a) or (b), but must not cover employees of the Board of Trustees of Minnesota State Colleges and Universities who are covered by the Higher Education Supplemental Retirement Plan under chapter 354C.

(f) Except as permitted under paragraph (g), public funds are contributed to the plan only in an amount that matches employee contributions on a dollar for dollar basis, but not to exceed the lesser of (1) the maximum authorized under the policy described in paragraph (d) that provides for enrollment in the plan or program, or (2) one-half of the annual limit on elective deferrals under section 402(g) of the Internal Revenue Code.

(g) Contributions to the plan may include contributions deducted from an employee's sick leave, accumulated vacation leave, or accumulated severance pay, whether characterized as employee contributions or nonelective employer contributions, up to applicable limits under the Internal Revenue Code. Such contributions are not subject to the match requirement and limit in paragraph (f).

Sec. 12. Minnesota Statutes 2020, section 356.645, is amended to read:

356.645 INVESTMENT OF ~~VARIOUS DEFINED CONTRIBUTION PLAN ASSETS~~ PLANS AND VOLUNTEER FIREFIGHTERS RELIEF ASSOCIATIONS.

The State Board of Investment shall determine the investments to be made available to plan participants in plans defined in sections 352.965, 352.98, and 383B.46 and chapters 352D and 353D and to volunteer firefighters relief associations under chapter 424A. Investments made available to plan participants and relief associations must include at least one or more of the following:

- (1) shares in the Minnesota supplemental investment fund established in section 11A.17;

(2) savings accounts in federally insured financial institutions;

(3) life insurance contracts, fixed annuity contracts, and variable annuity contracts from companies that are subject to regulation by the commissioner of commerce;

(4) investment options from open-end investment companies registered under the federal Investment Company Act of 1940, United States Code, title 15, sections 80a-1 to 80a-64;

(5) investment options from a firm that is a registered investment adviser under the Investment Advisers Act of 1940, United States Code, title 15, sections 80b-1 to 80b-21; and

(6) investment options of a bank as defined in United States Code, title 15, section 80b-2, subsection (a), paragraph (2), or a bank holding company as defined in the Bank Holding Company Act of 1956, United States Code, title 12, section 1841, subsection (a), paragraph (1).

Sec. 13. Minnesota Statutes 2020, section 356A.06, subdivision 6, is amended to read:

Subd. 6. **Limited list of authorized investment securities.** (a) **Authority.** This subdivision specifies the investment authority for a limited list plan. A limited list plan is a covered pension plan that does not:

(1) have pension fund assets with a market value in excess of \$1,000,000;

(2) use the services of an investment advisor registered with the Securities and Exchange Commission in accordance with the Investment Advisers Act of 1940, or registered as an investment advisor in accordance with sections 80A.58, and 80A.60, for the investment of at least 60 percent of its pension fund assets, calculated on market value;

(3) use the services of the State Board of Investment for the investment of at least 60 percent of its pension fund assets, calculated on market value; or

(4) use a combination of the services of an investment advisor meeting the requirements of clause (2) and the services of the State Board of Investment for the investment of at least 75 percent of its pension fund assets, calculated on market value.

(b) **Investment agency appointment authority.** The governing board of a covered pension plan may select and appoint investment agencies to act for or on its behalf.

(c) **Savings accounts; similar vehicles.** A limited list plan is authorized to invest in:

(1) certificates of deposit issued, to the extent of available insurance or collateralization, by a financial institution that is a member of the Federal Deposit Insurance Corporation ~~or the Federal Savings and Loan Insurance Corporation~~, that is insured by the National Credit Union Administration, or that is authorized to do business in this state and has deposited with the chief administrative officer of the plan a sufficient amount of marketable securities as collateral in accordance with section 118A.03;

(2) guaranteed investment contracts, limited to those issued by insurance companies or banks rated in the top four quality categories by a nationally recognized rating agency or to alternative guaranteed investment contracts where the underlying assets comply with the requirements of this paragraph; and

(3) savings accounts, limited to those fully insured by federal agencies.

(d) **Government-backed obligations.** A limited list plan is authorized to invest in governmental obligations as further specified in this paragraph, including bonds, notes, bills, mortgages, and other evidences of indebtedness, if the issue is backed by the full faith and credit of the issuer or if the issue is rated among the top four quality rating categories by a nationally recognized rating agency. The obligations in which plans are authorized to invest under this paragraph are guaranteed or insured issues of:

(1) the United States, one of its agencies, one of its instrumentalities, or an organization created and regulated by an act of Congress;

(2) the Dominion of Canada or one of its provinces if the principal and interest are payable in United States dollars;

(3) a state or one of its municipalities, political subdivisions, agencies, or instrumentalities; or

(4) any United States government-sponsored organization of which the United States is a member if the principal and interest are payable in United States dollars.

(e) **Corporate obligations.** A limited list plan is authorized to invest in corporate obligations, including bonds, notes, debentures, transportation equipment obligations, or any other longer-term evidences of indebtedness issued or guaranteed by a corporation organized under the laws of the United States or any of its states, or the Dominion of Canada or any of its provinces if:

(1) the principal and interest are payable in United States dollars; and

(2) the obligations are rated among the top four quality categories by a nationally recognized rating agency.

(f) **Mutual fund authority, limited list authorized assets.** Securities authorized under paragraphs (c) to (e) may be owned directly or through shares in exchange-traded funds, or through open-end mutual funds, or as units of commingled trusts.

(g) **Extended mutual fund authority.** Notwithstanding restrictions in other paragraphs of this subdivision, a limited list plan is authorized to invest the assets of the special fund in exchange-traded funds and open-end mutual funds, if their portfolio investments comply with the type of securities authorized for investment under section 356A.06, subdivision 7, paragraphs (c) to (g). Investments under this paragraph must not exceed 75 percent of the assets of the special fund, not including any money market investments through mutual or exchange-traded funds.

(h) **Supplemental fund authority.** The governing body of a limited list plan may certify special fund assets to the State Board of Investment for investment under section 11A.17.

(i) **Assets mix restrictions.** A limited list plan must conform to the asset mix limitations specified in section 356A.06, subdivision 7.

Sec. 14. Minnesota Statutes 2020, section 356A.06, subdivision 8a, is amended to read:

Subd. 8a. **Collateralization requirement.** (a) The governing board of a covered pension plan shall designate a national bank, an insured state bank, an insured credit union, or an insured thrift institution as the depository for the pension plan for assets not held by the pension plan's custodian bank.

(b) Unless collateralized as provided under paragraph (c), a covered pension plan may not deposit in a designated depository an amount in excess of the insurance held by the depository in the Federal Deposit Insurance Corporation, ~~the Federal Savings and Loan Insurance Corporation,~~ or the National Credit Union Administration, whichever applies.

(c) For an amount greater than the insurance under paragraph (b), the depository must provide collateral in compliance with section 118A.03 or with any comparable successor enactment relating to the collateralization of municipal deposits.

Sec. 15. Minnesota Statutes 2020, section 424A.001, subdivision 4, is amended to read:

Subd. 4. **Relief association.** (a) "Relief association" or "volunteer firefighters relief association" means a volunteer firefighters relief association or a volunteer firefighters division or account of a partially salaried and partially volunteer firefighters relief association that is:

(1) organized and incorporated as a nonprofit corporation to provide retirement benefits to volunteer firefighters under chapter 317A and any laws of the state;

(2) governed by this chapter and sections 424A.091 to 424A.095; and

(3) directly associated with:

(i) a fire department established by municipal ordinance;

(ii) an independent nonprofit firefighting corporation that is organized under the provisions of chapter 317A and that operates primarily for firefighting purposes; or

(iii) a fire department operated as or by a joint powers entity that operates primarily for firefighting purposes.

(b) "Relief association" or "volunteer firefighters relief association" does not mean:

(1) the Bloomington Fire Department Relief Association governed by Laws 2013, chapter 111, article 5, sections 31 to 42; Minnesota Statutes 2000, chapter 424; and Laws 1965, chapter 446, as amended; or

(2) the statewide ~~lump sum~~ volunteer firefighter plan governed by chapter 353G.

(c) A relief association or volunteer firefighters relief association is a governmental entity that receives and manages public money to provide retirement benefits for individuals providing the governmental services of firefighting and emergency first response.

Sec. 16. Minnesota Statutes 2020, section 424A.08, is amended to read:

424A.08 MUNICIPALITY WITHOUT RELIEF ASSOCIATION; AUTHORIZED DISBURSEMENTS.

(a) Any municipality which is entitled to receive fire state aid but which has no volunteer firefighters relief association directly associated with its fire department and which has no full-time firefighters with retirement coverage by the public employees police and fire retirement plan shall deposit the fire state aid in a special account established for that purpose in the municipal treasury. Disbursement from the special account may not be made for any purpose except:

(1) payment of the fees, dues and assessments to the Minnesota State Fire Department Association and to the state Volunteer Firefighters Benefit Association in order to entitle its firefighters to membership in and the benefits of these state associations;

(2) payment of the cost of purchasing and maintaining needed equipment for the fire department; and

(3) payment of the cost of construction, acquisition, repair, or maintenance of buildings or other premises to house the equipment of the fire department.

(b) A municipality which is entitled to receive fire state aid, which has no volunteer firefighters relief association directly associated with its fire department, which does not participate in the statewide ~~lump-sum~~ volunteer firefighter plan under chapter 353G, and which has full-time firefighters with retirement coverage by the public employees police and fire retirement plan may disburse the fire state aid as provided in paragraph (a), for the payment of the employer contribution requirement with respect to firefighters covered by the public employees police and fire retirement plan under section 353.65, subdivision 3, or for a combination of the two types of disbursements.

(c) A municipality that has no volunteer firefighters relief association directly associated with it and that participates in the statewide ~~lump-sum~~ volunteer firefighter plan under chapter 353G shall transmit any fire state aid that it receives to the statewide ~~lump-sum~~ volunteer firefighter fund.

Sec. 17. Minnesota Statutes 2020, section 424A.10, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** For purposes of this section:

(1) "qualified recipient" means a volunteer firefighter who receives a lump-sum distribution of pension or retirement benefits from a volunteer firefighters relief association or from the statewide ~~lump-sum~~ volunteer firefighter plan;

(2) "survivor of a deceased active or deferred volunteer firefighter" means the surviving spouse of a deceased active or deferred volunteer firefighter or, if none, the surviving child or children of a deceased active or deferred volunteer firefighter, or, if none, the designated beneficiary of the deceased active or deferred volunteer firefighter, or, if no beneficiary has been designated, the estate of the deceased active or deferred volunteer firefighter;

(3) "active volunteer firefighter" means a person who:

(i) regularly renders fire suppression service, the performance or supervision of authorized fire prevention duties, or the performance or supervision of authorized emergency medical response activities for a fire department;

(ii) has met the statutory and other requirements for relief association membership; and

(iii) is deemed by the relief association under law and its bylaws to be a fully qualified member of the relief association or from the statewide ~~lump-sum~~ volunteer firefighter plan for at least one month;

(4) "deferred volunteer firefighter" means a former active volunteer firefighter who:

(i) terminated active firefighting service, the performance or supervision of authorized fire prevention duties, or the performance or supervision of authorized emergency medical response activities; and

(ii) has sufficient service credit from the applicable relief association or from the statewide ~~lump-sum~~ volunteer firefighter plan to be entitled to a service pension under the bylaws of the relief association, but has not applied for or has not received the service pension; and

(5) "volunteer firefighter" includes an individual whose services were utilized to perform or supervise fire prevention duties if authorized under section 424A.01, subdivision 5, and individuals whose services were used to perform emergency medical response duties or supervise emergency medical response activities if authorized under section 424A.01, subdivision 5a.

Sec. 18. Minnesota Statutes 2021 Supplement, section 424A.10, subdivision 2, is amended to read:

Subd. 2. **Payment of supplemental benefit.** (a) Upon the payment by a volunteer firefighters relief association or by the statewide ~~lump-sum~~ volunteer firefighter plan of a lump-sum distribution to a qualified recipient, the association or retirement plan, as applicable, must pay a supplemental benefit to the qualified recipient. Notwithstanding any law to the contrary, the relief association must pay the supplemental benefit out of its special fund and the statewide ~~lump-sum~~ volunteer firefighter plan must pay the supplemental benefit out of the statewide ~~lump-sum~~ volunteer firefighter plan. This benefit is an amount equal to ten percent of the regular lump-sum distribution that is paid on the basis of the recipient's service as a volunteer firefighter. In no case may the amount of the supplemental benefit exceed \$1,000. A supplemental benefit under this paragraph may not be paid to a survivor of a deceased active or deferred volunteer firefighter in that capacity.

(b) Upon the payment by a relief association or the retirement plan of a lump-sum survivor benefit to a survivor of a deceased active volunteer firefighter or of a deceased deferred volunteer firefighter, the association or retirement plan, as applicable, must pay a supplemental survivor benefit to the survivor of the deceased active or deferred volunteer firefighter from the special fund of the relief association and the retirement plan must pay a supplemental survivor benefit to the survivor of the deceased active or deferred volunteer firefighter from the retirement fund if chapter 353G so provides. The amount of the supplemental survivor benefit is 20 percent of the survivor benefit, but not to exceed \$2,000.

(c) For purposes of this section, the term "regular lump-sum distribution" means the pretax lump-sum distribution excluding any interest that may have been credited during a volunteer firefighter's period of deferral.

(d) An individual may receive a supplemental benefit under paragraph (a) or under paragraph (b), but not under both paragraphs with respect to one lump-sum volunteer firefighter benefit.

Sec. 19. Minnesota Statutes 2020, section 424A.10, subdivision 3, is amended to read:

Subd. 3. **State reimbursement.** (a) Each year, to be eligible for state reimbursement of the amount of supplemental benefits paid under subdivision 2 during the preceding calendar year, the volunteer firefighters relief association or the statewide ~~lump-sum~~ volunteer firefighter plan shall apply to the commissioner of revenue by February 15. By March 15, the commissioner shall reimburse the relief association for the amount of the supplemental benefits paid by the relief association to qualified recipients and to survivors of deceased active or deferred volunteer firefighters.

(b) The commissioner of revenue shall prescribe the form of and supporting information that must be supplied as part of the application for state reimbursement. The commissioner of revenue shall reimburse the relief association by paying the reimbursement amount to the treasurer of the municipality where the association is located and shall reimburse the retirement plan by paying the reimbursement amount to the executive director of the Public Employees Retirement Association. Within 30 days after receipt, the municipal treasurer shall transmit the state reimbursement to the treasurer of the association if the association has filed a financial report with the municipality. If the relief association has not filed a financial report with the municipality, the municipal treasurer shall delay transmission of the reimbursement payment to the association until the complete financial report is filed. If the association has dissolved or has been removed as a trustee of state aid, the treasurer shall deposit the money in a special account in the municipal treasury, and the money may be disbursed only for the purposes and in the manner provided in section 424A.08. When paid to the association, the reimbursement payment must be deposited in the special fund of the relief association and when paid to the retirement plan, the reimbursement payment must be deposited in the retirement fund of the plan.

(c) A sum sufficient to make the payments is appropriated from the general fund to the commissioner of revenue.

Sec. 20. Minnesota Statutes 2021 Supplement, section 424B.13, subdivision 5, is amended to read:

Subd. 5. **Determination of value of pension benefits and distribution to retirees in pay status.** (a) The board of trustees shall determine the present value of each participant's accrued benefit, taking into account the full vesting requirement under subdivision 2 and any increase in the lump-sum benefit or monthly pension amount approved under subdivision 4:

(1) using the method set forth in section 424A.092, subdivision 2, for determining a plan's funded status by calculating the value of each participant's accrued benefit; or

(2) as determined by an actuary retained by the relief association, who meets the definition of approved actuary under section 356.215, subdivision 1, paragraph (c).

(b) If the retirement plan pays a monthly pension, the board of trustees ~~shall~~ must determine the present value of the remaining payments to any retiree in pay status or beneficiary who is receiving an annuity. Present value ~~shall~~ must be determined by an actuary who meets the definition of approved actuary under section 356.215, subdivision 1, paragraph (c), retained by the relief association. At the discretion of the relief association, the relief association ~~shall offer~~ must provide the retiree in pay status or beneficiary receiving the annuity either:

(1) an immediate lump-sum distribution of an amount equal to the present value of the remaining payments as determined by the actuary and permit the retiree in pay status or beneficiary to elect a lump-sum payment or a direct rollover of the amount to an eligible retirement plan as permitted under section 356.635, subdivisions 3 to 7, if the distribution is an eligible rollover distribution as defined in section 356.635, subdivisions 4 and 5; or

(2) continued payments in the same monthly amount under an annuity to be purchased by the board of trustees from a reputable insurance company licensed to do business in the state.

Sec. 21. Minnesota Statutes 2021 Supplement, section 424B.13, subdivision 8, is amended to read:

Subd. 8. **Notice to participants.** The board of trustees shall provide notice to all participants at least 90 days before the conversion effective date. The notice shall include:

(1) an explanation that the plan is converting from a defined benefit plan to a defined contribution plan and provide definitions for those terms, the reasons for the conversion, the conversion effective date, and the procedure to be followed, including fully vesting all participants;

(2) a summary of the terms of the newly adopted defined contribution plan;

(3) information about any increase in the benefit level and whether the increase applies to all participants or only active members;

(4) a section tailored to each participant that provides an estimate of the present value of the participant's fully vested accrued benefit and the calculation that resulted in that value;

(5) an estimate of any anticipated surplus and an explanation of the disposition of the surplus, including, as applicable, a description of the method for allocating the surplus among participants' accounts and whether the municipality, each municipality, if more than one municipality operates the fire department pursuant to a joint powers agreement, or firefighting corporation will receive any of the surplus and any conditions on its use; and

(6) contact information for one or more members of the board of trustees who will answer questions and provide a copy of the new defined contribution plan document or a summary, if requested, or directions to a website for viewing and printing the plan document or summary.

Sec. 22. **EFFECTIVE DATE.**

Sections 1 to 11 and 13 to 21 are effective the day following final enactment. Section 12 is effective January 1, 2023."

Delete the title and insert:

"A bill for an act relating to retirement; authorizing certain medical professionals (APRNs) to provide disability assessments for all public pension plans; authorizing the purchase of service credit for periods of military service under the Minnesota State Retirement System (MSRS) plans; adding Department of Human Services positions to the positions eligible for coverage by the MSRS correctional plan; permitting the transfer of service credit from the MSRS general plan to the correctional plan; permitting a surviving spouse to purchase vesting service and receive a pension from the MSRS general plan; reinstating segmented annuities for Public Employees Retirement Association (PERA) plans; excluding union employees of the Duluth Transit Authority from PERA membership and providing vesting credit under PERA for non-union employees; adding alternative vesting schedules under the PERA statewide volunteer firefighter plan and eliminating the restriction on the pension amount for firefighters retiring within five years of joining the plan; temporarily suspending the earnings limitation for reemployed retired teachers; adopting the recommendations of the state auditor's volunteer fire relief association working group; requiring the state auditor to provide annual investment reports to relief associations; clarifying the classification of State Board of Investment professional employees; requiring the Department of Labor and Industry to study the adequacy of disability benefits for police officers; making various administrative, technical, and clarifying changes; amending Minnesota Statutes 2020, sections 11A.04; 11A.07, subdivision 4, by adding subdivisions; 43A.18, subdivision 3b; 179A.10, subdivision 1; 352.01, by adding a subdivision; 352.113, subdivision 4; 352.27; 352.87, subdivision 6; 352.91, subdivision 3f; 352.94; 352.95, subdivisions 4, 6; 352B.011, by adding a subdivision; 352B.05; 352B.086; 352B.10, subdivision 4; 353.01, by adding a subdivision; 353.031, subdivisions 3, 7, 8; 353.32, subdivision 1a; 353.34, subdivision 5, by adding a subdivision; 353.657, subdivision 2a; 353.68, subdivision 4; 353G.01, subdivisions 7, 9a; 353G.05, subdivisions 1, 2, 3, by adding a subdivision; 353G.09, subdivisions 1, 2; 354.05, by adding a subdivision; 354.48, subdivisions 4, 6, 6a; 354A.011, by adding subdivisions; 354A.36, subdivisions 4, 6, by adding a subdivision; 356.20, subdivision 2; 356.24, subdivision 3; 356.551, subdivision 2; 356.645; 356A.06, subdivisions 6, 8a; 424A.001, subdivision 4; 424A.003; 424A.015, subdivision 2; 424A.05, subdivision 3, by adding a subdivision; 424A.08; 424A.092, subdivision 6; 424A.093, subdivision 6; 424A.095; 424A.10, subdivisions 1, 3; Minnesota Statutes 2021 Supplement, sections 353.01, subdivision 2b; 353G.11, subdivision 1; 424A.02, subdivisions 3, 3a; 424A.091, subdivision 3; 424A.093, subdivision 1; 424A.10, subdivision 2; 424B.10, subdivision 1b; 424B.13, subdivisions 4, 5, 8; 424B.22, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 352; 352B; repealing Minnesota Statutes 2020, section 353G.09, subdivision 3; Minnesota Statutes 2021 Supplement, section 424A.02, subdivisions 2a, 2b, 2c."

With the recommendation that when so amended the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Moran from the Committee on Ways and Means to which was referred:

H. F. No. 4265, A bill for an act relating to opioids; providing for the deposit and allocation of opioid settlement proceeds; establishing two accounts in the opiate epidemic response fund; eliminating a separate opioid account in the state treasury; modifying the time frame for eliminating the opioid manufacturer registration fee and reducing license fees; barring municipal claims against litigants in certain settled opioid cases; amending Minnesota Statutes

2020, section 256.043, subdivision 1, by adding a subdivision; Minnesota Statutes 2021 Supplement, sections 16A.151, subdivision 2; 151.066, subdivision 3; 256.042, subdivision 4; 256.043, subdivisions 3, 4; Laws 2019, chapter 63, article 3, section 1, as amended; Laws 2021, First Special Session chapter 7, article 16, section 12; proposing coding for new law in Minnesota Statutes, chapter 3.

Reported the same back with the following amendments:

Page 2, line 1, after "other" insert "related"

Page 2, after line 17, insert:

"(e) This section does not limit any causes of action, claims, or remedies, nor the authority to assert, file, or enforce such causes of action, claims, or remedies by a municipality against entities and individuals other than a released claim against a settling defendant."

Page 8, line 4, delete "(d)" and insert "(e)"

Page 8, line 7, delete "money" and insert "an amount necessary to meet any insufficiency shall be transferred"

Page 8, line 8, delete "shall be used" and insert "to the registration and license fee account"

Page 8, after line 8, insert:

"(c) \$209,000 in fiscal year 2023 and \$239,000 in fiscal year 2024 and subsequent fiscal years are appropriated to the commissioner of human services for the administration of grants awarded under paragraph (e)."

Page 8, line 9, delete "(c)" and insert "(d)" and delete "paragraph (b)" insert "paragraphs (b) and (c)"

Page 8, line 10, delete "appropriation" and insert "allocation"

Page 8, line 17, delete "(d)" and insert "(e)" and delete "and (c)" and insert "to (d)"

Page 8, line 21, delete "(e)" and insert "(f)" and delete "(c)" and insert "(d)"

Page 8, line 23, delete "(d)" and insert "(e)"

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Davnie from the Committee on Education Finance to which was referred:

H. F. No. 4300, A bill for an act relating to education finance; providing for supplemental funding for prekindergarten through grade 12 education; modifying provisions for general education, education excellence, teachers, special education, facilities, nutrition and libraries, early childhood, community education, and state agencies; requiring reports; appropriating money; amending Minnesota Statutes 2020, sections 119A.52; 120A.20, subdivision 1; 120A.41; 120B.018, by adding a subdivision; 120B.02, by adding a subdivision; 120B.12; 121A.19; 122A.06, subdivision 4; 122A.187, by adding a subdivision; 122A.415, subdivision 4, by adding subdivisions; 123B.595, subdivisions 1, 2, 7; 124D.095, subdivisions 2, 7, 8; 124D.1158, subdivisions 1, 3, 4; 124D.151, as

amended; 124D.165, subdivisions 2, 3; 124D.2211; 124D.231; 124D.4531, subdivisions 1, 1a, 1b; 124D.531, subdivision 1; 124D.55; 124D.59, subdivision 2; 124D.65, subdivision 5; 124D.68, subdivision 2; 124D.74, subdivision 3; 124D.81, subdivisions 1, 2, 2a; 124D.98, by adding a subdivision; 125A.03; 125A.76, subdivision 2e; 126C.05, subdivisions 17, 19; 126C.10, subdivisions 2a, 4; 126C.15, subdivisions 1, 2; 126C.44; 127A.45, subdivision 12a; Minnesota Statutes 2021 Supplement, sections 122A.73, subdivisions 2, 3, 5; 124D.111, subdivisions 1a, 4; 126C.05, subdivisions 1, 3; 126C.10, subdivisions 2, 2d, 2e; 245.4889, subdivision 1; Laws 2021, First Special Session chapter 13, article 1, sections 9; 10, subdivisions 2, 6, 7, 9, 11; article 2, section 4, subdivisions 2, 3, 4, 27; article 3, section 7, subdivisions 4, 7; article 5, section 3, subdivision 2; article 7, section 2, subdivision 3; article 8, section 3, subdivisions 2, 3; article 9, section 4, subdivisions 3, 5, 6; article 10, section 1, subdivision 9; article 11, sections 4, subdivision 2; 7, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 122A; 124D; 125A; repealing Minnesota Statutes 2020, section 124D.4531, subdivision 3a.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1
GENERAL EDUCATION

Section 1. Minnesota Statutes 2020, section 120A.42, is amended to read:

120A.42 CONDUCT OF SCHOOL ON CERTAIN HOLIDAYS.

(a) The governing body of any district may contract with any of the teachers of the district for the conduct of schools, and may conduct schools, on either, or any, of the following holidays, provided that a clause to this effect is inserted in the teacher's contract: Martin Luther King's birthday, Lincoln's and Washington's birthdays, ~~Columbus Day~~ Indigenous Peoples' Day, and Veterans' Day. On Martin Luther King's birthday, Washington's birthday, Lincoln's birthday, and Veterans' Day at least one hour of the school program must be devoted to a patriotic observance of the day. On Indigenous Peoples' Day, at least one hour of the school program must be devoted to observance of the day. As part of its observance of Indigenous Peoples' Day, a district may provide professional development to teachers and staff, or instruction to students, on the following topics:

(1) the history of treaties between the United States and Indigenous peoples;

(2) the history of federal boarding schools for Indigenous children;

(3) Indigenous languages;

(4) Indigenous traditional medicines and cultural or spiritual practices;

(5) the sovereignty of Tribal Nations;

(6) the contributions of Indigenous people to American culture, literature, and society; and

(7) current issues affecting Indigenous communities.

(b) A district may conduct a school program to honor Constitution Day and Citizenship Day by providing opportunities for students to learn about the principles of American democracy, the American system of government, American citizens' rights and responsibilities, American history, and American geography, symbols, and holidays. Among other activities under this paragraph, districts may administer to students the test questions United States Citizenship and Immigration Services officers pose to applicants for naturalization.

Sec. 2. Minnesota Statutes 2020, section 121A.21, is amended to read:

121A.21 SCHOOL HEALTH SERVICES.

Subdivision 1. School health services required. (a) Every school board must provide services to promote the health of its pupils.

(b) The board of a district with 1,000 pupils or more in average daily membership in early childhood family education, preschool disabled, elementary, and secondary programs must comply with the requirements of this paragraph. It may use one or a combination of the following methods:

(1) employ personnel, including at least one full-time equivalent licensed school nurse;

(2) contract with a public or private health organization or another public agency for personnel during the regular school year, determined appropriate by the board, who are currently licensed under chapter 148 and who are certified public health nurses; or

(3) enter into another arrangement approved by the commissioner.

Subd. 2. Access to menstrual products. A school district or charter school must provide students access to menstrual products at no charge. The products must be available in restrooms used by students in grades 4 to 12. For purposes of this section, "menstrual products" means pads, tampons, or other similar products used in connection with the menstrual cycle.

Sec. 3. Minnesota Statutes 2020, section 123A.485, subdivision 2, is amended to read:

Subd. 2. **Aid.** (a) For school districts consolidating after June 30, 2020, consolidation transition aid is equal to ~~\$200~~ \$400 times the number of resident pupil units in the newly created district in the year of consolidation and ~~\$100~~ \$300 times the number of resident pupil units in the first year following the year of consolidation. The number of pupil units used to calculate aid in either year shall not exceed 1,000 for districts consolidating July 1, 1994, and 1,500 for districts consolidating July 1, 1995, and thereafter.

(b) If the total appropriation for consolidation transition aid for any fiscal year, plus any amount transferred under section 127A.41, subdivision 8, is insufficient to pay all districts the full amount of aid earned, the department must first pay the districts in the first year following the year of consolidation the full amount of aid earned and distribute any remaining funds to the newly created districts in the first year of consolidation.

EFFECTIVE DATE. This section is effective for consolidations occurring after June 30, 2020.

Sec. 4. Minnesota Statutes 2020, section 123B.04, subdivision 1, is amended to read:

Subdivision 1. **Definition.** "Education site" means a separate facility, ~~or~~ or program within a facility or within a district ~~is an education site~~ if the school board recognizes it as a site.

Sec. 5. Minnesota Statutes 2020, section 123B.195, is amended to read:

123B.195 BOARD MEMBERS' RIGHT TO EMPLOYMENT.

Notwithstanding section 471.88, subdivision 5, a school board member may be newly employed or may continue to be employed by a school district as an employee only if there is a reasonable expectation at the beginning of the fiscal year or at the time the contract is entered into or extended that the amount to be earned by that officer under that contract or employment relationship will not exceed ~~\$8,000~~ \$20,000 in that fiscal year. Notwithstanding section

122A.40 or 122A.41 or other law, if the officer does not receive majority approval to be initially employed or to continue in employment at a meeting at which all board members are present, that employment is immediately terminated and that officer has no further rights to employment while serving as a school board member in the district.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 6. Minnesota Statutes 2020, section 123B.44, subdivision 1, is amended to read:

Subdivision 1. **Provided services.** The commissioner of education shall promulgate rules under the provisions of chapter 14 requiring each district or other intermediary service area: (a) to provide each year upon formal request by a specific date by or on behalf of a nonpublic school pupil enrolled in a nonpublic school located in that district or area, the same specific health services as are provided for public school pupils by the district where the nonpublic school is located; and (b) to provide each year upon formal request by a specific date by or on behalf of a nonpublic school elementary or secondary pupil enrolled in a nonpublic school located in that district or area, ~~the same specific guidance and counseling services as are provided for public school secondary pupils by the district where the nonpublic school is located.~~ The district where the nonpublic school is located must provide the necessary transportation within the district boundaries between the nonpublic school and a public school or neutral site for nonpublic school pupils who are provided pupil support services under this section if the district elects to provide pupil support services at a site other than the nonpublic school. Each request for pupil support services must set forth the guidance and counseling or health services requested by or on behalf of all eligible nonpublic school pupils enrolled in a given nonpublic school. No district or intermediary service area must not expend an amount for these pupil support services which exceeds the amount allotted to it under this section.

EFFECTIVE DATE. This section is effective for revenue in fiscal year 2022 and later.

Sec. 7. Minnesota Statutes 2020, section 123B.44, subdivision 5, is amended to read:

Subd. 5. **Guidance and counseling services; allotment.** Each school year the commissioner shall allot to the school districts or intermediary service areas for the provision of guidance and counseling services pursuant to this section the actual cost of the services provided for the pupils in each respective nonpublic school for that school year. The allotment for guidance and counseling services for the elementary pupils in each nonpublic school must not exceed the average expenditure per public school elementary pupil for these services by those Minnesota public schools that provide these services to their elementary pupils, multiplied by the number of elementary pupils in that particular nonpublic school who request these services and who are enrolled as of September 15 of the current school year. The allotment for guidance and counseling services for the secondary pupils in each nonpublic school must not exceed the average expenditure per public school secondary pupil for these services by those Minnesota public schools ~~which~~ that provide these services to their secondary pupils, multiplied by the number of secondary pupils in that particular nonpublic school who request these services and who are enrolled as of September 15 of the current school year.

EFFECTIVE DATE. This section is effective for revenue in fiscal year 2022 and later.

Sec. 8. Minnesota Statutes 2020, section 123B.44, subdivision 6, is amended to read:

Subd. 6. **Computation of maximum allotments.** For purposes of computing maximum allotments for each school year pursuant to this section, the average public school expenditure per pupil for health services and the average public school expenditure per elementary and secondary pupil for guidance and counseling services shall be computed and established by the department by February 1 of the preceding school year from the most recent public school year data then available.

EFFECTIVE DATE. This section is effective for revenue in fiscal year 2022 and later.

Sec. 9. Minnesota Statutes 2020, section 123B.86, subdivision 3, is amended to read:

Subd. 3. **Board control.** (a) When transportation is provided, the scheduling of routes, manner and method of transportation, control and discipline of school children and any other matter relating thereto shall be within the sole discretion, control and management of the board.

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

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

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

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

Sec. 10. Minnesota Statutes 2020, section 124D.095, subdivision 2, is amended to read:

Subd. 2. **Definitions.** For purposes of this section, the following terms have the meanings given them.

(a) "Digital learning" is learning facilitated by technology that offers students an element of control over the time, place, path, or pace of their learning ~~and includes blended and online learning.~~

(b) "Blended learning" is a form of digital learning that occurs when a student learns part time in a supervised physical setting and part time through digital delivery of instruction, or a student learns in a supervised physical setting where technology is used as a primary method to deliver instruction.

(c) "Online learning" is a form of digital learning ~~delivered by an approved online learning provider under paragraph (d) that occurs when a student learns primarily through digital delivery of instruction in a location other than a school building.~~

(d) "Supplemental online learning" means an online learning course taken in place of a course period at a local district school provided by a supplemental online learning provider.

~~(d)~~ (e) "Supplemental online learning provider" is a school district, an intermediate school district, an organization of two or more school districts operating under a joint powers agreement, or a charter school located in Minnesota that provides online learning courses or programs to students other than their own enrolled students and is approved by the department to provide supplemental online learning courses.

~~(e)~~ (f) "Student" is a Minnesota resident enrolled in a school under section 120A.22, subdivision 4, or in a school authorized to receive Tribal contract or grant aid under section 124D.83, in kindergarten through grade 12.

(f) (g) "Supplemental online learning student" is a student enrolled in ~~an~~ a supplemental online learning course or program delivered by ~~an~~ a supplemental online learning provider under paragraph ~~(d)~~ (e).

(h) "Teacher" is a public employee as defined in section 179A.03, subdivision 18, employed by a charter school or district providing online instruction. The contract of a teacher employed by a charter school or district must meet the requirements of section 122A.40 or 122A.41 and a charter school must employ or contract with a licensed teacher as defined in section 122A.06, subdivision 2. A teacher must perform all duties described in Minnesota Rules, part 8710.0310, defining teacher of record.

~~(g)~~ (i) "Enrolling district" means the school district or charter school in which a student is enrolled under section 120A.22, subdivision 4, for purposes of compulsory attendance.

~~(h) "Supplemental online learning" means an online learning course taken in place of a course period at a local district school.~~

~~(i) "Full time online learning provider" means an enrolling school authorized by the department to deliver comprehensive public education at any or all of the elementary, middle, or high school levels.~~

(j) "Online learning course syllabus" is a written document that ~~an~~ a supplemental online learning provider transmits to the enrolling district using a format prescribed by the commissioner to identify the state academic standards embedded in an online course, the course content outline, required course assessments, expectations for actual teacher contact time and other student-to-teacher communications, and the academic support available to the online learning student.

EFFECTIVE DATE. This section is effective for the 2023-2024 school year and later.

Sec. 11. Minnesota Statutes 2020, section 124D.095, subdivision 3, is amended to read:

Subd. 3. **Authorization; notice; limitations on enrollment.** (a) An enrolling district may offer digital learning, blended learning, or online learning as instructional modalities to enrolled students. Digital learning, blended learning, or online learning do not generate online learning funds under this section. An enrolling district that offers digital learning, blended learning, or online learning only to its enrolled students is not subject to the reporting requirements or review criteria under subdivision 7, unless the enrolling district is a supplemental online learning provider. A teacher providing instruction via digital learning, blended learning, or online learning must hold the appropriate Minnesota license as defined in section 124D.095, subdivision 2, paragraph (h). Digital learning, blended learning, and online learning courses must be reported and identified in the Minnesota Common Course Catalog.

~~(a) A~~ (b) Any student may apply for full time supplemental online enrollment in an approved supplemental online learning program under section 124D.03 or 124D.08 or chapter 124E. Notwithstanding sections 124D.03 and 124D.08 and chapter 124E, procedures for enrolling in supplemental online learning are as provided in this subdivision. A student age 17 or younger must have the written consent of a parent or guardian to apply. No school district or charter school may prohibit a student from applying to enroll in online learning. In order to enroll in online learning, the student and the student's parents must submit an application to the supplemental online learning provider and identify the student's reason for enrolling. An A supplemental online learning provider that accepts a student under this section must notify the student and the enrolling district in writing within ten days if the enrolling district is not the supplemental online learning provider. The student and the student's parent must notify the supplemental online learning provider of the student's intent to enroll in online learning within ten days of being accepted, at which time the student and the student's parent must sign a statement indicating that they have reviewed the online course or program and understand the expectations of enrolling in online learning. The supplemental online learning provider must use a form provided by the department to notify the enrolling district of the student's application to enroll in online learning.

~~(b)~~ (c) The supplemental online learning notice to the enrolling district when a student applies to the supplemental online learning provider ~~will~~ must include the courses or program, credits to be awarded, and the start date of the online course or program. ~~An~~ A supplemental online learning provider must make available the supplemental online course syllabus to the enrolling district. ~~Within 15 days after the online learning provider makes information in this paragraph available to the enrolling district, the enrolling district must notify the online provider whether the student, the student's parent, and the enrolling district agree or disagree that the course meets the enrolling district's graduation requirements.~~ A supplemental online learning provider that accepts a student under this section must notify the student and the enrolling district in writing within ten days if the enrolling district is not the supplemental online learning provider. A student may enroll in a supplemental online learning course up to the midpoint of the enrolling district's term. The enrolling district may waive this requirement for special circumstances and with the agreement of the online provider. ~~An online learning course or program that meets or exceeds a graduation standard or the grade progression requirement of the enrolling district as described in the provider's online course syllabus meets the corresponding graduation requirements applicable to the student in the enrolling district. If the enrolling district does not agree that the course or program meets its graduation requirements, then:~~

~~(1) the enrolling district must make available an explanation of its decision to the student, the student's parent, and the online provider; and~~

~~(2) the online provider may make available a response to the enrolling district, showing how the course or program meets the graduation requirements of the enrolling district.~~

~~(c) An online learning provider must notify the commissioner that it is delivering online learning and report the number of online learning students it accepts and the online learning courses and programs it delivers.~~

~~(d) An online learning provider may limit enrollment if the provider's school board or board of directors adopts by resolution specific standards for accepting and rejecting students' applications.~~

~~(e) An enrolling district may reduce an online learning student's regular classroom instructional membership in proportion to the student's membership in online learning courses.~~

~~(f) The online provider must report or make available information on an individual student's progress and accumulated credit to the student, the student's parent, and the enrolling district in a manner specified by the commissioner unless the enrolling district and the online provider agree to a different form of notice and notify the commissioner. The enrolling district must designate a contact person to help facilitate and monitor the student's academic progress and accumulated credits towards graduation.~~

(d) A school district or charter school must allow an enrolled student to apply to enroll in supplemental online learning. A supplemental online learning provider must notify the enrolling district that the student has been accepted into the supplemental online learning program. Within 15 days of receiving the notification from the supplemental online learning program, the enrolling district must notify the supplemental online provider whether the student, the student's parent, and the enrolling district agree or disagree that the proposed course meets the enrolling district's graduation requirements.

(e) The enrolling district must communicate a student's individualized education program to the supplemental online provider upon accepting the enrollment and must coordinate services for students with disabilities unless a written agreement exists between the enrolling district and the supplemental online provider.

(f) An online learning course or program that meets or exceeds a graduation standard or the grade progression requirement of the enrolling district as described in the supplemental online provider's online course syllabus meets the corresponding graduation requirements applicable to the student in the enrolling district. The enrolling district

must use the same criteria for accepting online learning credits or courses as it does for accepting credits or courses for transfer students under section 124D.03, subdivision 9. If the enrolling district does not agree that the course or program meets its graduation requirements, then:

(1) the enrolling district must make available an explanation of its decision to the student, the student's parent, and the supplemental online provider; and

(2) the supplemental online provider may make available a response to the enrolling district showing how the course or program meets the graduation requirements of the enrolling district.

(g) An enrolling district may reduce a supplemental online learning student's regular classroom instructional enrollment in proportion to the student's enrollment in online learning courses.

EFFECTIVE DATE. This section is effective for the 2023-2024 school year and later.

Sec. 12. Minnesota Statutes 2020, section 124D.095, subdivision 4, is amended to read:

Subd. 4. **Online learning parameters.** (a) ~~An~~ A supplemental online learning student must receive academic credit for completing the requirements of an online learning course or program. Secondary credits granted to ~~an~~ a supplemental online learning student count toward the graduation and credit requirements of the enrolling district. ~~The enrolling district must apply the same graduation requirements to all students, including online learning students, and must continue to provide nonacademic services to online learning students.~~ If a student completes an online learning course or program that meets or exceeds a graduation standard or the grade progression requirement at the enrolling district, that standard or requirement is met. ~~The enrolling district must use the same criteria for accepting online learning credits or courses as it does for accepting credits or courses for transfer students under section 124D.03, subdivision 9. The enrolling district may reduce the course schedule of an online learning student in proportion to the number of online learning courses the student takes from an online learning provider that is not the enrolling district.~~

(b) ~~An~~ A supplemental online learning student may:

(1) enroll in supplemental online learning courses equal to a maximum of 50 percent of the student's full schedule of courses per term during a single school year and the student may exceed the supplemental online learning registration limit if the enrolling district permits supplemental online learning enrollment above the limit, or if the enrolling district and the supplemental online learning provider agree to the instructional services;

(2) complete course work at a grade level that is different from the student's current grade level; and

(3) enroll in additional supplemental courses with the online learning provider under a separate agreement that includes terms for paying any tuition or course fees.

(c) An online learning student has the same access to ~~the~~ computer hardware and education software available in a school as all other students in the enrolling district. ~~An online learning provider must assist an online learning student whose family qualifies for the education tax credit under section 290.0674 to acquire computer hardware and educational software for online learning purposes.~~ Supplemental online learning students may use the enrolling district's computer hardware and educational software to access supplemental online courses. Supplemental online learning students may participate in supplemental online courses from a scheduled study hall or other suitable location in the district in which the student is enrolled if the enrolling district is able to provide a space and supervision.

~~(d) An enrolling district may offer digital learning to its enrolled students. Such digital learning does not generate online learning funds under this section. An enrolling district that offers digital learning only to its enrolled students is not subject to the reporting requirements or review criteria under subdivision 7, unless the enrolling district is a full-time online learning provider. A teacher with a Minnesota license must assemble and deliver instruction to enrolled students receiving online learning from an enrolling district. The delivery of instruction occurs when the student interacts with the computer or the teacher and receives ongoing assistance and assessment of learning. The instruction may include curriculum developed by persons other than a teacher holding a Minnesota license.~~

(d) A supplemental online learning provider must assist a supplemental online learning student whose family qualifies for the education tax credit under section 290.0674 to acquire computer hardware and educational software for online learning purposes and must provide information about broadband connectivity options and programs.

(e) A supplemental online learning provider may limit enrollment if the provider's school board or board of directors adopts by resolution specific standards for accepting and rejecting students' applications.

(f) A supplemental online learning provider must report or make available information on an individual student's progress and accumulated credit to the student, the student's parent, and the enrolling district in a manner specified by the commissioner unless the enrolling district and the supplemental online learning provider agree to a different form of reporting and notify the commissioner.

(g) An enrolling district must apply the same graduation requirements to all students, including supplemental online learning students, and must continue to provide nonacademic services to supplemental online learning students. An enrolling district must designate a contact person to help facilitate and monitor the academic progress and accumulated credits toward graduation for each supplemental online learning student enrolled in the district.

~~(e) Both full-time and (h) Supplemental online learning providers are subject to the reporting requirements and review criteria under subdivision 7. A teacher holding a Minnesota license must assemble and deliver instruction to online learning students. The delivery of instruction occurs when the student interacts with the computer or the teacher and receives ongoing assistance and assessment of learning. The instruction may include curriculum developed by persons other than a teacher holding a Minnesota license. A teacher providing instruction via supplemental online learning must use a curriculum aligned with standards as described in section 120B.021 and must hold the appropriate Minnesota license as defined in section 124D.095, subdivision 2, paragraph (h).~~

(i) Unless the commissioner grants a waiver, a teacher providing online learning instruction must not instruct more than 40 students in any one online learning course or program.

~~(f) To enroll in more than 50 percent of the student's full schedule of courses per term in online learning, the student must qualify to exceed the supplemental online learning registration limit under paragraph (b) or apply to enroll in an approved full-time online learning program, consistent with subdivision 3, paragraph (a). Full-time online learning students may enroll in classes at a local school under a contract for instructional services between the online learning provider and the school district.~~

EFFECTIVE DATE. This section is effective for the 2023-2024 school year and later.

Sec. 13. Minnesota Statutes 2020, section 124D.095, subdivision 7, is amended to read:

Subd. 7. **Department of Education.** (a) The department must review and approve or disapprove supplemental online learning providers applications within 90 calendar days of receiving ~~an~~ a supplemental online learning provider's completed application. The commissioner, using research-based standards of quality for online learning programs, must review all approved supplemental online learning providers on a cyclical three-year basis. Approved supplemental online learning providers annually must submit program data to, confirm statements of assurances for, and provide program updates including a current course list to the commissioner.

(b) A supplemental online learning provider must notify the commissioner that it is delivering online learning and must report the number of online learning students it accepts and the online learning courses and programs it delivers.

(c) An enrolling district that offers online learning under section 124D.095, subdivision 2, paragraph (c), must create an online site or sites that are classified as online learning sites and report student enrollments in the online school site or sites. Online and blended learning courses must be reported in the Minnesota Common Course Catalog.

~~(b)~~ (d) The online learning courses and programs must be rigorous, aligned with state academic standards, and contribute to grade progression in a single subject. The supplemental online learning provider, ~~other than a digital learning provider offering digital learning to its enrolled students only under subdivision 4, paragraph (d)~~, must give the commissioner written assurance that: (1) all courses meet state academic standards; and (2) the online learning curriculum, instruction, and assessment, expectations for actual teacher-contact time or other student-to-teacher communication, and academic support meet nationally recognized professional standards and are described as such in an online learning course syllabus that meets the commissioner's requirements. Once ~~an~~ a supplemental online learning provider is approved under this paragraph, all of its online learning course offerings are eligible for payment under this section unless a course is successfully challenged by an enrolling district or the department under paragraph ~~(e)~~ (e).

~~(e)~~ (e) An enrolling district may challenge the validity of a course offered by ~~an~~ a supplemental online learning provider. The department must review such challenges based on the approval procedures under paragraph ~~(b)~~ (d). The department may initiate its own review of the validity of an online learning course offered by ~~an~~ a supplemental online learning provider.

~~(d)~~ (f) The department may collect a fee not to exceed \$250 for approving online learning providers or \$50 per course for reviewing a challenge by an enrolling district.

~~(e)~~ (g) The department must develop, publish, and maintain a list of supplemental online learning providers that it has reviewed and approved.

~~(f)~~ (h) The department may review a complaint about ~~an~~ a supplemental online learning provider, or a complaint about a provider based on the provider's response to notice of a violation. If the department determines that ~~an~~ a supplemental online learning provider violated a law or rule, the department may:

(1) create a compliance plan for the provider; or

(2) withhold funds from the provider under sections 124D.095, 124E.25, and 127A.42. The department must notify ~~an~~ a supplemental online learning provider in writing about withholding funds and provide detailed calculations.

(i) An online learning program fee administration account is created in the special revenue fund. Funds retained under paragraph (d) shall be deposited in the account. Money in the account is appropriated to the commissioner for costs associated with administering and monitoring online and digital learning programs.

EFFECTIVE DATE. This section is effective for the 2023-2024 school year and later, except that paragraph (i) is effective July 1, 2022.

Sec. 14. Minnesota Statutes 2020, section 124D.095, subdivision 8, is amended to read:

Subd. 8. **Financial arrangements.** (a) For a student enrolled in an online learning course, the department must calculate average daily membership and make payments according to this subdivision.

(b) The initial online learning average daily membership equals 1/12 for each semester course or a proportionate amount for courses of different lengths. The adjusted online learning average daily membership equals the initial online learning average daily membership times .88.

(c) No online learning average daily membership shall be generated if: (1) the student does not complete the online learning course, or (2) the student is enrolled in online learning provided by the enrolling district.

(d) Online learning average daily membership under this subdivision for a student currently enrolled in a Minnesota public school or in a Tribal contract or grant school authorized to receive aid under section 124D.83 shall be used only for computing average daily membership according to section 126C.05, subdivision 19, paragraph (a), clause (2), and for computing online learning aid according to section 124D.096.

Sec. 15. Minnesota Statutes 2020, section 124D.095, is amended by adding a subdivision to read:

Subd. 11. Crisis online learning. (a) "Crisis online learning" means online learning under this section as the primary mode of instruction for all students in a school building during a crisis learning period.

(b) "Crisis learning period" means a period of time that is the result of an unforeseeable incident or situation such as a natural disaster, pandemic, or other catastrophic event that creates an unsafe or untenable in-person learning environment as declared by a school district or charter school.

(c) "Crisis online learning plan" means a plan adopted by a school board or board of directors that describes the implementation of crisis online learning and how critical components of education are provided during the crisis learning period. Critical components of education include but are not limited to nutrition services in accordance with United States Department of Agriculture regulations, how teachers will be accessible online and by telephone during regular school hours each crisis online learning day to assist students, accommodations for students without Internet access or insufficient digital device access in a household, and accessible options for students with disabilities under chapter 125A and the Individuals with Disabilities Education Act. A crisis online learning plan may only be adopted by a school district after consulting with the exclusive representative of the teachers or by a charter school after consulting with its teachers, and may include up to one instructional day to prepare for crisis online learning and one instructional day upon the conclusion of the crisis online learning period, not to exceed four days per school year without approval from the commissioner. Students and families must be notified of the crisis online learning plan before the beginning of the school year. Consistent with applicable labor agreements, districts must utilize available staff who are able to work during the crisis online learning period.

(d) Upon declaring a crisis learning period and providing notice to students and families at least one day prior to the regular school start time, a school district or charter school may implement the crisis online learning plan.

EFFECTIVE DATE. This section is effective the day following final enactment. For school year 2021-2022 the student and family notification requirement in subdivision 11, paragraph (c), does not apply.

Sec. 16. Minnesota Statutes 2020, section 124D.095, is amended by adding a subdivision to read:

Subd. 12. Asynchronous learning. Any approved online learning provider offering an asynchronous course as part of its online learning program, and has offered the asynchronous online learning course for three or more years prior to the effective date of this act, may continue to offer asynchronous online learning courses.

Sec. 17. Minnesota Statutes 2020, section 124D.4531, subdivision 1, is amended to read:

Subdivision 1. **Career and technical revenue.** (a) A district with a career and technical program approved under this section for the fiscal year in which the levy is certified is eligible for career and technical revenue equal to 35 percent of approved expenditures in the fiscal year in which the levy is certified for the following:

(1) salaries paid to essential, licensed personnel providing direct instructional services to students in that fiscal year, including extended contracts, for services rendered in the district's approved career and technical education programs, excluding salaries reimbursed by another school district under clause (2);

(2) amounts paid to another Minnesota school district for salaries of essential, licensed personnel providing direct instructional services to students in that fiscal year for services rendered in the district's approved career and technical education programs;

(3) contracted services provided by a public or private agency other than a Minnesota school district or cooperative center under chapter 123A or 136D;

(4) necessary travel between instructional sites by licensed career and technical education personnel and district-encumbered student travel between instructional and placement sites in state-approved work-based learning programs;

(5) necessary travel by licensed career and technical education personnel for ~~vocational~~ career and technical education student organization activities held within the state for instructional purposes;

(6) curriculum development activities that are part of a five-year plan for improvement based on program assessment;

(7) necessary travel by licensed career and technical education personnel for noncollegiate credit-bearing professional development; and

(8) specialized ~~vocational~~ career and technical education instructional supplies.

(b) The district must recognize the full amount of this levy as revenue for the fiscal year in which it is certified.

~~(c) The amount of the revenue calculated under this subdivision may not exceed \$17,850,000 for taxes payable in 2012, \$15,520,000 for taxes payable in 2013, and \$20,657,000 for taxes payable in 2014.~~

~~(d) If the estimated revenue exceeds the amount in paragraph (c), the commissioner must reduce the percentage in paragraph (a) until the estimated revenue no longer exceeds the limit in paragraph (c).~~

Sec. 18. Minnesota Statutes 2020, section 124D.4531, subdivision 1a, is amended to read:

Subd. 1a. **Career and technical levy.** ~~(a) For fiscal year 2014 only, a district may levy an amount not more than the product of its career and technical revenue times the lesser of one or the ratio of its adjusted net tax capacity per adjusted pupil unit in the fiscal year in which the levy is certified to the career and technical revenue equalizing factor. The career and technical revenue equalizing factor for fiscal year 2014 equals \$7,612.~~

~~(b) For fiscal year 2015 and later, A district may levy an amount not more than the product of its career and technical revenue times the lesser of one or the ratio of its adjusted net tax capacity per adjusted pupil unit in the fiscal year in which the levy is certified to the career and technical revenue equalizing factor. The career and technical revenue equalizing factor for fiscal year 2015 and later equals \$7,612.~~

Sec. 19. Minnesota Statutes 2020, section 124D.4531, subdivision 1b, is amended to read:

Subd. 1b. **Career and technical aid.** ~~For fiscal year 2014 and later,~~ A district's career and technical aid equals its career and technical revenue less its career and technical levy. If the district levy is less than the permitted levy, the district's career and technical aid shall be reduced proportionately.

Sec. 20. **[124D.4532] CAREER AND TECHNICAL STUDENT TRANSPORTATION AID.**

A district that provides student travel between instructional and placement sites in state-approved work-based learning programs is eligible for state aid to reimburse the additional costs of transportation during the preceding fiscal year.

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

Sec. 21. Minnesota Statutes 2020, section 124D.59, subdivision 2, is amended to read:

Subd. 2. **English learner.** (a) "English learner" means a pupil in kindergarten through grade 12; an early childhood special education student under Part B, section 619 of the Individuals with Disabilities Education Act, United States Code, title 20, section 1419; or a prekindergarten student enrolled in an approved voluntary prekindergarten program under section 124D.151 or a school readiness plus program who meets the requirements under subdivision 2a or the following requirements:

(1) the pupil, as declared by a parent or guardian first learned a language other than English, comes from a home where the language usually spoken is other than English, or usually speaks a language other than English; and

(2) the pupil is determined by a valid assessment measuring the pupil's English language proficiency and by developmentally appropriate measures, which might include observations, teacher judgment, parent recommendations, or developmentally appropriate assessment instruments, to lack the necessary English skills to participate fully in academic classes taught in English.

(b) A pupil enrolled in a Minnesota public school in any grade 4 through 12 who in the previous school year took a commissioner-provided assessment measuring the pupil's emerging academic English, shall be counted as an English learner in calculating English learner pupil units under section 126C.05, subdivision 17, and shall generate state English learner aid under section 124D.65, subdivision 5, if the pupil scored below the state cutoff score or is otherwise counted as a nonproficient participant on the assessment measuring the pupil's emerging academic English, or, in the judgment of the pupil's classroom teachers, consistent with section 124D.61, clause (1), the pupil is unable to demonstrate academic language proficiency in English, including oral academic language, sufficient to successfully and fully participate in the general core curriculum in the regular classroom.

(c) Notwithstanding paragraphs (a) and (b), a pupil in early childhood special education or prekindergarten under section 124D.151, through grade 12 shall not be counted as an English learner in calculating English learner pupil units under section 126C.05, subdivision 17, and shall not generate state English learner aid under section 124D.65, subdivision 5, if:

(1) the pupil is not enrolled during the current fiscal year in an educational program for English learners under sections 124D.58 to 124D.64; or

(2) the pupil has generated seven or more years of average daily membership in Minnesota public schools since July 1, 1996.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2023 and later.

Sec. 22. Minnesota Statutes 2020, section 124D.59, subdivision 2a, is amended to read:

Subd. 2a. **English learner; limited or interrupted formal education.** Consistent with subdivision 2, an English learner ~~includes with limited or interrupted formal education~~ is an English learner ~~with an interrupted formal education who meets three of the following five requirements: defined by subdivision 2 who has at least two years less schooling than the English learner's peers when entering school in the United States.~~

~~(1) comes from a home where the language usually spoken is other than English, or usually speaks a language other than English;~~

~~(2) enters school in the United States after grade 6;~~

~~(3) has at least two years less schooling than the English learner's peers;~~

~~(4) functions at least two years below expected grade level in reading and mathematics; and~~

~~(5) may be preliterate in the English learner's native language.~~

Sec. 23. Minnesota Statutes 2020, section 124D.65, subdivision 5, is amended to read:

Subd. 5. **School district EL revenue.** (a) The English learner programs initial allowance equals \$704 for fiscal years 2021 and 2022. The English learner programs initial allowance equals \$1,000 for fiscal year 2023. The English learner programs initial allowance for fiscal year 2024 and later equals the product of \$1,000 times the ratio of the formula allowance under section 126C.10, subdivision 2, for the current fiscal year to the formula allowance under section 126C.10, subdivision 2, for fiscal year 2023.

(b) The English learner programs concentration allowance equals \$250 for fiscal years 2021 and 2022. The English learner programs concentration allowance for fiscal year 2023 and later equals the product of \$250 times the ratio of the formula allowance under section 126C.10, subdivision 2, for the current fiscal year to the formula allowance under section 126C.10, subdivision 2, for fiscal year 2023.

~~(a)~~ (c) A district's English learner programs initial revenue equals the product of (1) \$704 the English learner programs initial allowance times (2) the greater of 20 or the adjusted average daily membership of eligible English learners enrolled in the district during the current fiscal year.

(d) A district's English learner programs concentration revenue equals the product of the English learner programs concentration allowance times the English learner pupil units under section 126C.05, subdivision 17.

(e) A district's English learner cross subsidy aid equals:

(1) 40 percent of the district's English learner cross subsidy for fiscal year 2023;

(2) 50 percent of the district's English learner cross subsidy for fiscal year 2024;

(3) 75 percent of the district's English learner cross subsidy for fiscal year 2025; and

(4) 100 percent of the district's English learner cross subsidy for fiscal years 2026 and later.

(f) A district's English learner programs revenue equals the sum of:

(1) the initial revenue under paragraph (c);

(2) the concentration revenue under paragraph (d); and

(3) a district's English learner cross subsidy aid under paragraph (e).

(g) A district's English learner cross subsidy equals the greater of zero or the difference between the district's expenditure for qualifying services for the second previous year and the district's English learner revenue for the second previous year.

~~(b)~~ (h) A pupil ceases to generate state English learner aid in the school year following the school year in which the pupil attains the state cutoff score on a commissioner-provided assessment that measures the pupil's emerging academic English.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2023 and later.

Sec. 24. Minnesota Statutes 2020, section 124D.68, subdivision 2, is amended to read:

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

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

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

(3) is pregnant or is a parent;

(4) has been assessed as chemically dependent;

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

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

~~(7)~~ (6) is a victim of physical or sexual abuse;

~~(8)~~ (7) has experienced mental health problems;

~~(9)~~ (8) has experienced homelessness sometime within six months before requesting a transfer to an eligible program;

~~(10)~~ (9) speaks English as a second language or is an English learner;

~~(11)~~ (10) has withdrawn from school or has been chronically truant; or

~~(12)~~ (11) is being treated in a hospital in the seven-county metropolitan area for cancer or other life threatening illness or is the sibling of an eligible pupil who is being currently treated, and resides with the pupil's family at least 60 miles beyond the outside boundary of the seven-county metropolitan area.

(b) A pupil ~~otherwise qualifying under paragraph (a) who is at least 21 years of age and not yet 22 years of age, and is an English learner with an interrupted formal education according to section 124D.59, subdivision 2a,~~ is eligible to participate in the graduation incentives program under section 124D.68 and in concurrent enrollment courses offered under section 124D.09, subdivision 10, and is funded in the same manner as other pupils under this section: if the pupil otherwise qualifies under paragraph (a), is at least 21 years of age and not yet 22 years of age, and:

(1) is an English learner with a limited or interrupted formal education according to section 124D.59, subdivision 2a; or

(2) meets three of the following four requirements:

(i) comes from a home where the language usually spoken is other than English, or usually speaks a language other than English;

(ii) enters school in the United States after grade 6;

(iii) functions at least two years below expected grade level in reading and mathematics; and

(iv) may be preliterate in the English learner's native language.

Sec. 25. Minnesota Statutes 2020, section 124D.73, is amended by adding a subdivision to read:

Subd. 5. **American Indian student.** "American Indian student" means a student who identifies as American Indian or Alaska Native, using the state definition in effect on October 1 of the previous school year.

Sec. 26. Minnesota Statutes 2020, section 124D.79, subdivision 2, is amended to read:

Subd. 2. **Technical assistance.** The commissioner shall provide technical assistance, including an annual report of American Indian student data using the state count, to districts, schools and postsecondary institutions for preservice and in-service training for teachers, American Indian education teachers and paraprofessionals specifically designed to implement culturally responsive teaching methods, culturally based curriculum development, testing and testing mechanisms, and the development of materials for American Indian education programs.

Sec. 27. Minnesota Statutes 2020, section 124D.81, is amended by adding a subdivision to read:

Subd. 8. **State-identified American Indian.** For the purposes of sections 124D.71 to 124D.82, the number of students who identify as American Indian or Alaska Native, as defined by the state of Minnesota on October 1 of the previous school year, will be used to determine the state-identified American Indian student counts for districts, charter schools, and Tribal contract schools for the subsequent school year.

Sec. 28. Minnesota Statutes 2020, section 124D.83, is amended by adding a subdivision to read:

Subd. 3a. **Supplemental online learning.** A pupil attending a Tribal contract school under this section may participate in a supplemental online learning program offered by a school district. The serving school district may include the pupil's time spent in the supplemental online learning program in its pupil count.

Sec. 29. Minnesota Statutes 2020, section 125A.15, is amended to read:

125A.15 PLACEMENT IN ANOTHER DISTRICT; RESPONSIBILITY.

The responsibility for special instruction and services for a child with a disability temporarily placed in another district for care and treatment shall be determined in the following manner:

(a) The district of residence of a child shall be the district in which the child's parent resides, if living, or the child's guardian. If there is a dispute between school districts regarding residency, the district of residence is the district designated by the commissioner.

(b) If a district other than the resident district places a pupil for care and treatment, the district placing the pupil must notify and give the resident district an opportunity to participate in the placement decision. When an immediate emergency placement of a pupil is necessary and time constraints foreclose a resident district from participating in the emergency placement decision, the district in which the pupil is temporarily placed must notify the resident district of the emergency placement within 15 days. The resident district has up to five business days after receiving notice of the emergency placement to request an opportunity to participate in the placement decision, which the placing district must then provide.

(c) When a child is temporarily placed for care and treatment in a day program located in another district and the child continues to live within the district of residence during the care and treatment, the district of residence is responsible for providing transportation to and from the care and treatment program and an appropriate educational program for the child. The resident district may establish reasonable restrictions on transportation, except if a Minnesota court or agency orders the child placed at a day care and treatment program and the resident district receives a copy of the order, then the resident district must provide transportation to and from the program unless the court or agency orders otherwise. Transportation shall only be provided by the resident district during regular operating hours of the resident district. The resident district may provide the educational program at a school within the district of residence, at the child's residence, or in the district in which the day treatment center is located by paying tuition to that district. A district or charter school may utilize online learning under section 124D.095 to fulfill its educational program responsibility under this chapter if the child, or the child's parent or guardian for a pupil under the age of 18, agrees to that form of instruction.

(d) When a child is temporarily placed in a residential program for care and treatment, the nonresident district in which the child is placed is responsible for providing an appropriate educational program for the child and necessary transportation while the child is attending the educational program; and must bill the district of the child's residence for the actual cost of providing the program, as outlined in section 125A.11, except as provided in paragraph (e). However, the board, lodging, and treatment costs incurred in behalf of a child with a disability placed outside of the school district of residence by the commissioner of human services or the commissioner of corrections or their agents, for reasons other than providing for the child's special educational needs must not become the responsibility of either the district providing the instruction or the district of the child's residence. For the purposes of this section, the state correctional facilities operated on a fee-for-service basis are considered to be residential programs for care and treatment. A district or charter school may utilize online learning under section 124D.095 to fulfill its educational program responsibility under this chapter if the child, or the child's parent or guardian for a pupil under the age of 18, agrees to that form of instruction.

(e) A privately owned and operated residential facility may enter into a contract to obtain appropriate educational programs for special education children and services with a joint powers entity. The entity with which the private facility contracts for special education services shall be the district responsible for providing students placed in that facility an appropriate educational program in place of the district in which the facility is located. If a privately owned and operated residential facility does not enter into a contract under this paragraph, then paragraph (d) applies.

(f) The district of residence shall pay tuition and other program costs, not including transportation costs, to the district providing the instruction and services. The district of residence may claim general education aid for the child as provided by law. Transportation costs must be paid by the district responsible for providing the transportation and the state must pay transportation aid to that district.

Sec. 30. Minnesota Statutes 2020, section 125A.51, is amended to read:

125A.51 PLACEMENT OF CHILDREN WITHOUT DISABILITIES; EDUCATION AND TRANSPORTATION.

The responsibility for providing instruction and transportation for a pupil without a disability who has a short-term or temporary physical or emotional illness or disability, as determined by the standards of the commissioner, and who is temporarily placed for care and treatment for that illness or disability, must be determined as provided in this section.

(a) The school district of residence of the pupil is the district in which the pupil's parent or guardian resides. If there is a dispute between school districts regarding residency, the district of residence is the district designated by the commissioner.

(b) When parental rights have been terminated by court order, the legal residence of a child placed in a residential or foster facility for care and treatment is the district in which the child resides.

(c) Before the placement of a pupil for care and treatment, the district of residence must be notified and provided an opportunity to participate in the placement decision. When an immediate emergency placement is necessary and time does not permit resident district participation in the placement decision, the district in which the pupil is temporarily placed, if different from the district of residence, must notify the district of residence of the emergency placement within 15 days of the placement. When a nonresident district makes an emergency placement without first consulting with the resident district, the resident district has up to five business days after receiving notice of the emergency placement to request an opportunity to participate in the placement decision, which the placing district must then provide.

(d) When a pupil without a disability is temporarily placed for care and treatment in a day program and the pupil continues to live within the district of residence during the care and treatment, the district of residence must provide instruction and necessary transportation to and from the care and treatment program for the pupil. The resident district may establish reasonable restrictions on transportation, except if a Minnesota court or agency orders the child placed at a day care and treatment program and the resident district receives a copy of the order, then the resident district must provide transportation to and from the program unless the court or agency orders otherwise. Transportation shall only be provided by the resident district during regular operating hours of the resident district. The resident district may provide the instruction at a school within the district of residence, at the pupil's residence, through an online learning program under section 124D.095, provided by the pupil's resident district, district of open enrollment under section 124D.03, or charter school of enrollment under section 124E.11, or in the case of a placement outside of the resident district, in the district in which the day treatment program is located by paying tuition to that district. A district or charter school may provide the instruction through an online learning program if the pupil, or the pupil's parent or guardian for a pupil under the age of 18, agrees to that form of instruction. The district of placement may contract with a facility to provide instruction by teachers licensed by the Professional Educator Licensing and Standards Board.

(e) When a pupil without a disability is temporarily placed in a residential program for care and treatment, the district in which the pupil is placed must provide instruction for the pupil and necessary transportation while the pupil is receiving instruction, and in the case of a placement outside of the district of residence, the nonresident district must bill the district of residence for the actual cost of providing the instruction for the regular school year and for summer school, excluding transportation costs. A district or charter school may utilize online learning under section 124D.095 to fulfill its educational program responsibility under this chapter if the pupil, or the pupil's parent or guardian for a pupil under the age of 18, agrees to that form of instruction.

(f) Notwithstanding paragraph (e), if the pupil is homeless and placed in a public or private homeless shelter, then the district that enrolls the pupil under section 120A.20, subdivision 2, paragraph (b), shall provide the transportation, unless the district that enrolls the pupil and the district in which the pupil is temporarily placed agree that the district in which the pupil is temporarily placed shall provide transportation. When a pupil without a disability is temporarily placed in a residential program outside the district of residence, the administrator of the court placing the pupil must send timely written notice of the placement to the district of residence. The district of placement may contract with a residential facility to provide instruction by teachers licensed by the Professional Educator Licensing and Standards Board. For purposes of this section, the state correctional facilities operated on a fee-for-service basis are considered to be residential programs for care and treatment.

(g) The district of residence must include the pupil in its residence count of pupil units and pay tuition as provided in section 123A.488 to the district providing the instruction. Transportation costs must be paid by the district providing the transportation and the state must pay transportation aid to that district. For purposes of computing state transportation aid, pupils governed by this subdivision must be included in the disabled transportation category if the pupils cannot be transported on a regular school bus route without special accommodations.

Sec. 31. Minnesota Statutes 2020, section 125A.515, subdivision 3, is amended to read:

Subd. 3. **Responsibilities for providing education.** (a) The district in which the children's residential facility is located must provide education services, including special education if eligible, to all students placed in a facility. If a child's district of residence, district of open enrollment under section 124D.03, or charter school of enrollment under section 124E.11 is a state-approved online learning provider under section 124D.095, subdivision 2, paragraph (d), the district in which the children's residential facility is located may utilize that state-approved online learning program in fulfilling its education services responsibility under this section. A district or charter school may provide the instruction through an online learning program if the child, or child's parent or guardian for a child under the age of 18, agrees to that form of instruction.

(b) For education programs operated by the Department of Corrections, the providing district shall be the Department of Corrections. For students remanded to the commissioner of corrections, the providing and resident district shall be the Department of Corrections.

Sec. 32. Minnesota Statutes 2020, section 126C.05, subdivision 19, is amended to read:

Subd. 19. **Online learning students.** (a) The average daily membership for a public school pupil or a pupil enrolled in a school authorized to receive Tribal contract or grant aid under section 124D.83 generating online learning average daily membership according to section 124D.095, subdivision 8, paragraph (b), equals the sum of: (1) the ratio of the sum of the number of instructional hours the pupil is enrolled in a regular classroom setting at the enrolling school to the actual number of instructional hours in the school year at the enrolling school, plus (2) .12 times the initial online learning average daily membership according to section 124D.095, subdivision 8, paragraph (b).

(b) When the sum of the average daily membership under paragraph (a) and the adjusted online learning average daily membership under section 124D.095, subdivision 8, paragraph (b), exceeds the maximum allowed for the student under subdivision 8 or 15, as applicable, the average daily membership under paragraph (a) shall be reduced by the excess over the maximum, but shall not be reduced below .12. The adjusted online learning average daily membership according to section 124D.095, subdivision 8, paragraph (b), shall be reduced by any remaining excess over the maximum.

Sec. 33. Minnesota Statutes 2020, section 126C.10, subdivision 2a, is amended to read:

Subd. 2a. **Extended time revenue.** (a) The extended time allowance is \$5,117 for fiscal years 2022 and 2023. For fiscal year 2024 and later, the extended time allowance equals the product of \$5,117 times the ratio of the formula allowance under subdivision 2 for the current fiscal year to the formula allowance under subdivision 2 for fiscal year 2023.

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

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

(d) A school district's summer residential care and treatment extended time revenue equals the product of the extended time allowance times the sum of the resident summer residential care and treatment extended time average daily membership, times the pupil unit weighting in section 126C.05, subdivision 1.

(e) Summer residential care and treatment extended time average daily membership for resident pupils placed in a residential program for care and treatment, excluding those in paragraph (b) for instruction after the end of the preceding regular school year and before the beginning of the following regular school year, equals membership hours divided by the minimum annual instructional hours in section 126C.05, subdivision 15, not to exceed 0.20.

(f) For fiscal year 2023 and later, the amount of extended time revenue calculated under this paragraph may not exceed \$1,000,000 for each fiscal year.

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

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2023 and later.

Sec. 34. Minnesota Statutes 2020, section 126C.10, subdivision 4, is amended to read:

Subd. 4. **Basic skills revenue.** A school district's basic skills revenue equals the sum of:

(1) compensatory revenue under subdivision 3; plus

(2) English learner revenue under section 124D.65, subdivision 5; ~~plus, paragraph (e).~~

(3) ~~\$250 times the English learner pupil units under section 126C.05, subdivision 17.~~

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2023 and later.

Sec. 35. Minnesota Statutes 2020, section 126C.10, subdivision 13, is amended to read:

Subd. 13. **Total operating capital revenue.** (a) Total operating capital revenue for a district equals the ~~amount determined under paragraph (b) or (c), plus~~ sum of:

(1) \$79 times the adjusted pupil units for the school year;

(2) the product of \$109, the district's maintenance cost index, and its adjusted pupil units for the school year plus the amount computed under paragraph (c); and

(3) \$2 times the adjusted pupil units for the school year for the purposes of supplying menstrual products under subdivision 14, clause (26).

(b) The revenue under this subdivision must be placed in a reserved account in the general fund and may only be used according to subdivision 14.

~~(b) Capital revenue for a district equals \$109 times the district's maintenance cost index times its adjusted pupil units for the school year.~~

(c) The revenue under paragraph (a), clause (2), for a district that operates a program under section 124D.128, is increased by an amount equal to \$31 times the number of adjusted pupil units served at the site where the program is implemented.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2023 and later.

Sec. 36. Minnesota Statutes 2020, section 126C.10, subdivision 13a, is amended to read:

Subd. 13a. **Operating capital levy.** To obtain operating capital revenue, a district may levy an amount not more than the product of its operating capital revenue for the fiscal year times the lesser of one or the ratio of its adjusted net tax capacity per adjusted pupil unit to the operating capital equalizing factor. The operating capital equalizing factor equals ~~\$23,902 for fiscal year 2020, \$23,885 for fiscal year 2021, and \$22,912 for fiscal year 2022~~ and, \$37,510 for fiscal year 2023, \$28,562 for fiscal year 2024, and \$30,300 for fiscal year 2025 and later.

Sec. 37. Minnesota Statutes 2020, section 126C.10, subdivision 14, is amended to read:

Subd. 14. **Uses of total operating capital revenue.** Total operating capital revenue may be used only for the following purposes:

(1) to acquire land for school purposes;

(2) to acquire or construct buildings for school purposes;

(3) to rent or lease buildings, including the costs of building repair or improvement that are part of a lease agreement;

(4) to improve and repair school sites and buildings, and equip or reequip school buildings with permanent attached fixtures, including library media centers;

(5) for a surplus school building that is used substantially for a public nonschool purpose;

(6) to eliminate barriers or increase access to school buildings by individuals with a disability;

- (7) to bring school buildings into compliance with the State Fire Code adopted according to chapter 299F;
- (8) to remove asbestos from school buildings, encapsulate asbestos, or make asbestos-related repairs;
- (9) to clean up and dispose of polychlorinated biphenyls found in school buildings;
- (10) to clean up, remove, dispose of, and make repairs related to storing heating fuel or transportation fuels such as alcohol, gasoline, fuel oil, and special fuel, as defined in section 296A.01;
- (11) for energy audits for school buildings and to modify buildings if the audit indicates the cost of the modification can be recovered within ten years;
- (12) to improve buildings that are leased according to section 123B.51, subdivision 4;
- (13) to pay special assessments levied against school property but not to pay assessments for service charges;
- (14) to pay principal and interest on state loans for energy conservation according to section 216C.37 or loans made under the Douglas J. Johnson Economic Protection Trust Fund Act according to sections 298.292 to ~~298.298~~ 298.297;
- (15) to purchase or lease interactive telecommunications equipment;
- (16) by board resolution, to transfer money into the debt redemption fund to: (i) pay the amounts needed to meet, when due, principal and interest payments on certain obligations issued according to chapter 475; or (ii) pay principal and interest on debt service loans or capital loans according to section 126C.70;
- (17) to pay operating capital-related assessments of any entity formed under a cooperative agreement between two or more districts;
- (18) to purchase or lease computers and related hardware, software, and annual licensing fees, copying machines, telecommunications equipment, and other noninstructional equipment;
- (19) to purchase or lease assistive technology or equipment for instructional programs;
- (20) to purchase textbooks as defined in section 123B.41, subdivision 2;
- (21) to purchase new and replacement library media resources or technology;
- (22) to lease or purchase vehicles;
- (23) to purchase or lease telecommunications equipment, computers, and related equipment for integrated information management systems for:
 - (i) managing and reporting learner outcome information for all students under a results-oriented graduation rule;
 - (ii) managing student assessment, services, and achievement information required for students with individualized education programs; and
 - (iii) other classroom information management needs;

(24) to pay personnel costs directly related to the acquisition, operation, and maintenance of telecommunications systems, computers, related equipment, and network and applications software; ~~and~~

(25) to pay the costs directly associated with closing a school facility, including moving and storage costs; and

(26) to pay the costs of supplies and equipment necessary to provide access to menstrual products at no charge to students in restrooms and as otherwise needed in school facilities.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 38. Minnesota Statutes 2020, section 126C.10, subdivision 18a, is amended to read:

Subd. 18a. **Pupil transportation adjustment.** (a) An independent, common, or special school district's transportation sparsity revenue under subdivision 18 is increased by the greater of zero or ~~18.2~~ 39.5 percent of the difference between:

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

(2) the sum of:

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

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

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

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

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

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2023 and later.

Sec. 39. Minnesota Statutes 2020, section 126C.15, subdivision 1, is amended to read:

Subdivision 1. **Use of revenue.** The basic skills revenue under section 126C.10, subdivision 4, must be reserved and used to meet the educational needs of pupils who enroll under-prepared to learn and whose progress toward meeting state or local content or performance standards is below the level that is appropriate for learners of their age. Basic skills revenue may also be used for programs designed to prepare children and their families for entry into school whether the student first enrolls in kindergarten or first grade. Any of the following may be provided to meet these learners' needs:

(1) direct instructional services under the assurance of mastery program according to section 124D.66;

(2) remedial instruction in reading, language arts, mathematics, other content areas, or study skills to improve the achievement level of these learners;

(3) additional teachers and teacher aides to provide more individualized instruction to these learners through individual tutoring, lower instructor-to-learner ratios, or team teaching;

(4) a longer school day or week during the regular school year ~~or through a summer program that may be offered directly by the site or under a performance-based contract with a community-based organization;~~

(5) comprehensive and ongoing staff development consistent with district and site plans according to section 122A.60 and to implement plans under section 120B.12, subdivision 4a, for teachers, teacher aides, principals, and other personnel to improve their ability to identify the needs of these learners and provide appropriate remediation, intervention, accommodations, or modifications;

(6) instructional materials, digital learning, and technology appropriate for meeting the individual needs of these learners;

(7) programs to reduce truancy, encourage completion of high school, enhance self-concept, provide health services, provide nutrition services, provide a safe and secure learning environment, provide coordination for pupils receiving services from other governmental agencies, provide psychological services to determine the level of social, emotional, cognitive, and intellectual development, and provide counseling services, guidance services, and social work services;

(8) bilingual programs, bicultural programs, and programs for English learners;

~~(9) all day kindergarten;~~

~~(10) (9) early education programs, parent-training programs, school readiness programs, kindergarten voluntary prekindergarten programs for four-year-olds, voluntary home visits under section 124D.13, subdivision 4, and other outreach efforts designed to prepare children for kindergarten;~~

~~(11) (10) extended school day and extended school year programs, including summer programs that may be offered directly by the site or under a performance-based contract with a community-based organization; and~~

~~(12) (11) substantial parent involvement in developing and implementing remedial education or intervention plans for a learner, including learning contracts between the school, the learner, and the parent that establish achievement goals and responsibilities of the learner and the learner's parent or guardian.~~

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2023 and later.

Sec. 40. Minnesota Statutes 2020, section 126C.15, subdivision 2, is amended to read:

Subd. 2. **Building allocation.** (a) A district or cooperative must allocate at least 80 percent of its compensatory revenue to each school building in the district or cooperative where the children who have generated the revenue are served unless the school district or cooperative has received permission under Laws 2005, First Special Session chapter 5, article 1, section 50, to allocate compensatory revenue according to student performance measures developed by the school board.

~~(b) Notwithstanding paragraph (a),~~ A district or cooperative may allocate ~~up to 50~~ no more than 20 percent of the amount of compensatory revenue that the district receives to school sites according to a plan adopted by the school board. The money reallocated under this paragraph must be spent for the purposes listed in subdivision 1, but may be spent on students in any grade, including students attending school readiness or other prekindergarten programs.

(c) For the purposes of this section and section 126C.05, subdivision 3, "building" means education site as defined in section 123B.04, subdivision 1.

(d) Notwithstanding section 123A.26, subdivision 1, compensatory revenue generated by students served at a cooperative unit shall be paid to the cooperative unit.

(e) A district or cooperative with school building openings, school building closings, changes in attendance area boundaries, or other changes in programs or student demographics between the prior year and the current year may reallocate compensatory revenue among sites to reflect these changes. A district or cooperative must report to the department any adjustments it makes according to this paragraph and the department must use the adjusted compensatory revenue allocations in preparing the report required under section 123B.76, subdivision 3, paragraph (c).

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2023 and later.

Sec. 41. Minnesota Statutes 2020, section 126C.19, is amended by adding a subdivision to read:

Subd. 1a. **Supplemental online learning.** A shared time pupil may participate in a school district's supplemental online learning program in the same manner as the student may participate in other shared time programs.

Sec. 42. Minnesota Statutes 2020, section 127A.45, subdivision 12a, is amended to read:

Subd. 12a. **Forward shifted aid payments.** One hundred percent of the state aid in fiscal years 2003 and later received under ~~section~~ sections 124D.87 and 124D.4532 must be paid by the state to the recipient school district on August 30 of that year. The recipient school district must recognize this aid in the previous fiscal year.

Sec. 43. Laws 2021, First Special Session chapter 13, article 1, section 9, is amended to read:

Sec. 9. ENGLISH LEARNER CROSS SUBSIDY REDUCTION AID.

(a) Notwithstanding Minnesota Statutes, section 124D.65, English learner aid is increased by \$2,000,000 ~~per year~~ for fiscal ~~years~~ year 2022, 2023, 2024, and 2025. The commissioner must allocate the aid to each school district and charter school based on the school district's or charter school's proportionate share of English learner and concentration revenue under Minnesota Statutes, section 126C.10, subdivision 4, clauses (2) and (3), for the preceding fiscal year.

(b) Revenue under this section must be used and reserved as basic skills revenue according to Minnesota Statutes, section 126C.15.

Sec. 44. Laws 2021, First Special Session chapter 13, article 1, section 9, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective for revenue in fiscal year 2022 and expires at the end of fiscal year 2025.

Sec. 45. Laws 2021, First Special Session chapter 13, article 1, section 10, subdivision 2, is amended to read:

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

\$ 7,569,266,000 <u>7,484,917,000</u>	.....	2022
\$ 7,804,527,000 <u>7,859,192,000</u>	.....	2023

The 2022 appropriation includes \$717,326,000 for 2021 and ~~\$6,851,940,000~~ \$6,767,591,000 for 2022.

The 2023 appropriation includes ~~\$734,520,000~~ \$751,955,000 for 2022 and ~~\$7,070,007,000~~ \$7,107,237,000 for 2023.

Sec. 46. Laws 2021, First Special Session chapter 13, article 1, section 10, subdivision 5, is amended to read:

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

	\$309,000	.....	2022
\$	373,000 <u>1,182,000</u>	.....	2023

(b) The 2022 appropriation includes \$30,000 for 2021 and \$279,000 for 2022.

(c) The 2023 appropriation includes \$31,000 for 2022 and ~~\$342,000~~ \$1,151,000 for 2023.

(d) The 2023 appropriation includes 100 percent of the amount necessary to make the adjustment required under section 3.

Sec. 47. Laws 2021, First Special Session chapter 13, article 1, section 10, subdivision 6, is amended to read:

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

\$	16,991,000 <u>17,224,000</u>	.....	2022
\$	17,450,000 <u>20,706,000</u>	.....	2023

The 2022 appropriation includes \$1,903,000 for 2021 and ~~\$15,088,000~~ \$15,321,000 for 2022.

The 2023 appropriation includes ~~\$1,676,000~~ \$1,702,000 for 2022 and ~~\$15,774,000~~ \$19,004,000 for 2023.

Sec. 48. Laws 2021, First Special Session chapter 13, article 1, section 10, subdivision 7, is amended to read:

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

\$	19,770,000 <u>19,143,000</u>	.....	2022
\$	19,906,000 <u>19,796,000</u>	.....	2023

The 2022 appropriation includes \$1,910,000 for 2021 and ~~\$17,860,000~~ \$17,233,000 for 2022.

The 2023 appropriation includes ~~\$1,984,000~~ \$1,915,000 for 2022 and ~~\$17,922,000~~ \$17,881,000 for 2023.

Sec. 49. Laws 2021, First Special Session chapter 13, article 1, section 10, subdivision 9, is amended to read:

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

\$	2,668,000 <u>2,582,000</u>	.....	2022
\$	2,279,000 <u>2,123,000</u>	.....	2023

The 2022 appropriation includes \$323,000 for 2021 and ~~\$2,345,000~~ \$2,259,000 for 2022.

The 2023 appropriation includes ~~\$260,000~~ \$251,000 for 2022 and ~~\$2,019,000~~ \$1,872,000 for 2023.

Sec. 50. Laws 2021, First Special Session chapter 13, article 1, section 10, subdivision 11, is amended to read:

Subd. 11. **English learner cross subsidy reduction aid.** ~~(a)~~ For English learner cross subsidy reduction aid under section 9:

\$2,000,000	.....	2022
\$ 2,000,000	.....	2023

~~(b) The base for English learner cross subsidy reduction aid is \$2,000,000 for fiscal year 2024, \$2,000,000 for fiscal year 2025, and \$0 for fiscal year 2026 and later.~~

Sec. 51. **LEGISLATIVE WORKING GROUP ON IDENTIFYING THE APPROPRIATE STUDENT ELIGIBILITY METRIC FOR CALCULATING COMPENSATORY REVENUE.**

Subdivision 1. **Membership; chair.** (a) The legislative working group on compensatory revenue must consist of eight members as follows:

(1) four members of the house of representatives, two members appointed by the speaker of the house and two members appointed by the minority leader of the house of representatives; and

(2) four members of the senate, two members appointed by the senate majority leader and two members appointed by the senate minority leader.

(b) Appointing authorities must make appointments by June 15, 2022.

(c) If a vacancy occurs, the appointing authority for the vacated position must fill the vacancy.

(d) The speaker of the house and the senate majority leader must each designate one working group member from each respective body to serve as chair. The chair must rotate after each meeting. The person appointed as chair by the speaker of the house must convene the first meeting of the working group by June 30, 2022.

(e) The working group is subject to Minnesota Statutes, section 3.055.

Subd. 2. **Duties.** (a) The working group must study requirements and practices to identify students whose families qualify as low income for purposes of calculating compensatory revenue.

(b) The working group must solicit input from the state demographer, the Department of Education, the Children's Cabinet, the Department of Human Services, the Department of Revenue, school districts and charter schools, county program managers implementing MNBenefits, and other interested stakeholders as to the best methods to provide a direct match for qualifying families.

(c) For purposes of calculating compensatory revenue, the working group must consider the benefits and disadvantages to the yearly application for free or reduced-price meals and whether eligibility may be determined throughout the school year.

(d) The working group must examine the effect of the Community Eligibility Provision program participation on students' reported free and reduced-price meal eligibility. The working group must also consider whether a simplified eligibility form could be used by students who attend Community Eligibility Provision program sites.

Subd. 3. **Assistance.** (a) To the extent practicable, the Department of Education must provide the working group with data necessary to analyze proposals altering the way that students are counted for purposes of calculating compensatory revenue.

(b) The Legislative Coordinating Commission must provide technical and administrative assistance to the working group upon request.

Subd. 4. **Recommendations; report.** The working group must issue a report to the governor and chairs and ranking minority members of the legislative committees with jurisdiction over kindergarten through grade 12 education by June 30, 2023.

Subd. 5. **Expiration.** The working group expires July 1, 2023.

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

Sec. 52. **APPROPRIATION; COMPENSATORY REVENUE LEGISLATIVE WORKING GROUP.**

\$23,000 in fiscal year 2023 is appropriated from the general fund to the director of the Legislative Coordinating Commission for purposes of section 51.

Sec. 53. **APPROPRIATION; DECLINING ENROLLMENT AID.**

(a) \$25,000,000 in fiscal year 2023 is appropriated from the general fund to the commissioner of education for declining enrollment aid.

(b) A public school's decline in enrollment equals the greater of zero or the difference between the fall 2020 enrollment and the fall 2021 enrollment.

(c) A public school's declining enrollment aid equals the ratio of the school's decline in enrollment in paragraph (b) to the statewide decline in enrollment times the amount appropriated in paragraph (a).

(d) For purposes of this section, "public school" means a school district, charter school, or cooperative unit under Minnesota Statutes, section 123A.24, subdivision 2.

(e) This aid is 100 percent payable in fiscal year 2023.

Sec. 54. **REPEALER.**

Minnesota Statutes 2020, section 124D.4531, subdivision 3a, is repealed.

ARTICLE 2 EDUCATION EXCELLENCE

Section 1. Minnesota Statutes 2020, section 13.32, subdivision 3, is amended to read:

Subd. 3. **Private data; when disclosure is permitted.** Except as provided in subdivision 5, educational data is private data on individuals and shall not be disclosed except as follows:

(a) pursuant to section 13.05;

(b) pursuant to a valid court order;

(c) pursuant to a statute specifically authorizing access to the private data;

(d) to disclose information in health, including mental health, and safety emergencies pursuant to the provisions of United States Code, title 20, section 1232g(b)(1)(I) and Code of Federal Regulations, title 34, section 99.36;

(e) pursuant to the provisions of United States Code, title 20, sections 1232g(b)(1), (b)(4)(A), (b)(4)(B), (b)(1)(B), (b)(3), (b)(6), (b)(7), and (i), and Code of Federal Regulations, title 34, sections 99.31, 99.32, 99.33, 99.34, 99.35, and 99.39;

(f) to appropriate health authorities to the extent necessary to administer immunization programs and for bona fide epidemiologic investigations which the commissioner of health determines are necessary to prevent disease or disability to individuals in the public educational agency or institution in which the investigation is being conducted;

(g) when disclosure is required for institutions that participate in a program under title IV of the Higher Education Act, United States Code, title 20, section 1092;

(h) to the appropriate school district officials to the extent necessary under subdivision 6, annually to indicate the extent and content of remedial instruction, including the results of assessment testing and academic performance at a postsecondary institution during the previous academic year by a student who graduated from a Minnesota school district within two years before receiving the remedial instruction;

(i) to appropriate authorities as provided in United States Code, title 20, section 1232g(b)(1)(E)(ii), if the data concern the juvenile justice system and the ability of the system to effectively serve, prior to adjudication, the student whose records are released; provided that the authorities to whom the data are released submit a written request for the data that certifies that the data will not be disclosed to any other person except as authorized by law without the written consent of the parent of the student and the request and a record of the release are maintained in the student's file;

(j) to volunteers who are determined to have a legitimate educational interest in the data and who are conducting activities and events sponsored by or endorsed by the educational agency or institution for students or former students;

(k) to provide student recruiting information, from educational data held by colleges and universities, as required by and subject to Code of Federal Regulations, title 32, section 216;

(l) to the juvenile justice system if information about the behavior of a student who poses a risk of harm is reasonably necessary to protect the health or safety of the student or other individuals;

(m) with respect to Social Security numbers of students in the adult basic education system, to Minnesota State Colleges and Universities and the Department of Employment and Economic Development for the purpose and in the manner described in section 124D.52, subdivision 7;

(n) to the commissioner of education for purposes of an assessment or investigation of a report of alleged maltreatment of a student as mandated by chapter 260E. Upon request by the commissioner of education, data that are relevant to a report of maltreatment and are from charter school and school district investigations of alleged maltreatment of a student must be disclosed to the commissioner, including, but not limited to, the following:

- (1) information regarding the student alleged to have been maltreated;
- (2) information regarding student and employee witnesses;
- (3) information regarding the alleged perpetrator; and

(4) what corrective or protective action was taken, if any, by the school facility in response to a report of maltreatment by an employee or agent of the school or school district;

(o) when the disclosure is of the final results of a disciplinary proceeding on a charge of a crime of violence or nonforcible sex offense to the extent authorized under United States Code, title 20, section 1232g(b)(6)(A) and (B) and Code of Federal Regulations, title 34, sections 99.31 (a)(13) and (14);

(p) when the disclosure is information provided to the institution under United States Code, title 42, section 14071, concerning registered sex offenders to the extent authorized under United States Code, title 20, section 1232g(b)(7); ~~or~~

(q) when the disclosure is to a parent of a student at an institution of postsecondary education regarding the student's violation of any federal, state, or local law or of any rule or policy of the institution, governing the use or possession of alcohol or of a controlled substance, to the extent authorized under United States Code, title 20, section 1232g(i), and Code of Federal Regulations, title 34, section 99.31 (a)(15), and provided the institution has an information release form signed by the student authorizing disclosure to a parent. The institution must notify parents and students about the purpose and availability of the information release forms. At a minimum, the institution must distribute the information release forms at parent and student orientation meetings; or

(r) with Tribal Nations about Tribally enrolled or descendant students so that the Tribal Nation and school district or charter school can support the educational attainment of the student.

Sec. 2. Minnesota Statutes 2020, section 120A.22, subdivision 7, is amended to read:

Subd. 7. **Education records.** (a) A district, a charter school, or a nonpublic school that receives services or aid under sections 123B.40 to 123B.48 from which a student is transferring must transmit the student's educational records, within ten business days of a request, to the district, the charter school, or the nonpublic school in which the student is enrolling. Districts, charter schools, and nonpublic schools that receive services or aid under sections 123B.40 to 123B.48 must make reasonable efforts to determine the district, the charter school, or the nonpublic school in which a transferring student is next enrolling in order to comply with this subdivision.

(b) A closed charter school must transfer the student's educational records, within ten business days of the school's closure, to the student's school district of residence where the records must be retained unless the records are otherwise transferred under this subdivision.

(c) A school district, a charter school, or a nonpublic school that receives services or aid under sections 123B.40 to 123B.48 that transmits a student's educational records to another school district or other educational entity, charter school, or nonpublic school to which the student is transferring must include in the transmitted records information about any formal suspension, expulsion, and exclusion disciplinary action, as well as pupil withdrawals, under sections 121A.40 to 121A.56. The transmitted records must include services a pupil needs to prevent the inappropriate behavior from recurring. The district, the charter school, or the nonpublic school that receives services or aid under sections 123B.40 to 123B.48 must provide notice to a student and the student's parent or guardian that formal disciplinary records will be transferred as part of the student's educational record, in accordance with data practices under chapter 13 and the Family Educational Rights and Privacy Act of 1974, United States Code, title 20, section 1232(g).

(d) Notwithstanding section 138.17, a principal or chief administrative officer must remove from a student's educational record and destroy a probable cause notice received under section 260B.171, subdivision 5, or paragraph (e), if one year has elapsed since the date of the notice and the principal or chief administrative officer has not received a disposition or court order related to the offense described in the notice. This paragraph does not apply if the student no longer attends the school when this one-year period expires.

(e) A principal or chief administrative officer who receives a probable cause notice under section 260B.171, subdivision 5, or a disposition or court order, must include a copy of that data in the student's educational records if they are transmitted to another school, unless the data are required to be destroyed under paragraph (d) or section 121A.75.

Sec. 3. Minnesota Statutes 2020, section 120A.22, subdivision 9, is amended to read:

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

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

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

Sec. 4. Minnesota Statutes 2020, section 120B.018, subdivision 6, is amended to read:

Subd. 6. **Required standard.** "Required standard" means (1) a statewide adopted expectation for student learning in the content areas of language arts, mathematics, science, social studies, physical education, and the arts, or (2) a locally adopted expectation for student learning in health ~~or the arts~~.

Sec. 5. Minnesota Statutes 2020, section 120B.021, subdivision 1, is amended to read:

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

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

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

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

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

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

Sec. 6. Minnesota Statutes 2020, section 120B.021, subdivision 2, is amended to read:

Subd. 2. **Standards development.** (a) The commissioner must consider advice from at least the following stakeholders in developing statewide rigorous core academic standards in language arts, mathematics, science, social studies, including history, geography, economics, government and citizenship, and the arts:

- (1) parents of school-age children and members of the public throughout the state;
- (2) teachers throughout the state currently licensed and providing instruction in language arts, mathematics, science, social studies, or the arts and licensed elementary and secondary school principals throughout the state currently administering a school site;
- (3) currently serving members of local school boards and charter school boards throughout the state;
- (4) faculty teaching core subjects at postsecondary institutions in Minnesota; ~~and~~
- (5) representatives of the Minnesota business community;
- (6) representatives from the Tribal Nations Education Committee and Minnesota's Tribal Nations and communities, including both Anishinaabe and Dakota;
- (7) youth currently enrolled in kindergarten through grade 12 school districts and charter schools in Minnesota; and
- (8) other stakeholders that represent the ethnic, racial, and geographic diversity of Minnesota, including diversity of gender and sexual orientation, immigrant status, and religious and linguistic background.

(b) Academic standards must:

- (1) be clear, concise, objective, measurable, and grade-level appropriate;
- (2) not require a specific teaching methodology or curriculum; and
- (3) be consistent with the Constitutions of the United States and the state of Minnesota.

Sec. 7. Minnesota Statutes 2020, section 120B.021, subdivision 3, is amended to read:

Subd. 3. **Rulemaking.** The commissioner, consistent with the requirements of this section and section 120B.022, must adopt statewide rules under section 14.389 for implementing statewide rigorous core academic standards in language arts, mathematics, science, social studies, physical education, and the arts. After the rules authorized under this subdivision are initially adopted, the commissioner may not amend or repeal these rules nor adopt new rules on the same topic without specific legislative authorization unless done pursuant to subdivision 4.

Sec. 8. Minnesota Statutes 2020, section 120B.021, subdivision 4, is amended to read:

Subd. 4. **Revisions and reviews required.** (a) The commissioner of education must revise and ~~appropriately embed~~ Indigenous education standards that include the contributions of American Indian Tribes and communities into the state's academic standards and graduation requirements. These standards must be consistent with recommendations from the Tribal Nations Education Committee.

(b) The commissioner of education must revise and embed technology and information literacy standards consistent with recommendations from school media specialists into the state's academic standards and graduation requirements and implement a ten-year cycle to review and, consistent with the review, revise state academic standards and related benchmarks, consistent with this subdivision. During each ten-year review and revision cycle, the commissioner also must examine the alignment of each required academic standard and related benchmark with the knowledge and skills students need for career and college readiness and advanced work in the particular subject area.

~~(c) The commissioner must include the contributions of Minnesota American Indian tribes and communities as related to the~~ embed ethnic studies into the state's academic standards during the review and revision of the required academic standards.

~~(d)~~ (d) The commissioner must ensure that the statewide mathematics assessments administered to students in grades 3 through 8 and 11 are aligned with the state academic standards in mathematics, consistent with section 120B.30, subdivision 1, paragraph (b). The commissioner must implement a review of the academic standards and related benchmarks in mathematics beginning in the 2021-2022 school year and every ten years thereafter.

~~(e)~~ (e) The commissioner must implement a review of the academic standards and related benchmarks in arts beginning in the 2017-2018 school year and every ten years thereafter.

~~(f)~~ (f) The commissioner must implement a review of the academic standards and related benchmarks in science beginning in the 2018-2019 school year and every ten years thereafter.

~~(g)~~ (g) The commissioner must implement a review of the academic standards and related benchmarks in language arts beginning in the 2019-2020 school year and every ten years thereafter.

~~(h)~~ (h) The commissioner must implement a review of the academic standards and related benchmarks in social studies beginning in the 2020-2021 school year and every ten years thereafter.

~~(g)~~ (i) The commissioner must implement a review of the academic standards and related benchmarks in physical education beginning in the ~~2022-2023~~ 2026-2027 school year and every ten years thereafter.

~~(h)~~ (j) School districts and charter schools must revise and align local academic standards and high school graduation requirements in health, world languages, and career and technical education to require students to complete the revised standards beginning in a school year determined by the school district or charter school. School districts and charter schools must formally establish a periodic review cycle for the academic standards and related benchmarks in health, world languages, and career and technical education.

Sec. 9. Minnesota Statutes 2020, section 120B.022, subdivision 1, is amended to read:

Subdivision 1. **Elective standards.** A district must establish and regularly review its own standards ~~in~~ for career and technical education programs. Standards must align with Minnesota career and technical education frameworks, standards developed by national career and technical education organizations, or recognized industry standards. A district must use the current world languages standards developed by the American Council on the Teaching of Foreign Languages. A school district must offer courses in all elective subject areas.

Sec. 10. Minnesota Statutes 2020, section 120B.024, subdivision 1, is amended to read:

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

- (1) four credits of language arts sufficient to satisfy all of the academic standards in English language arts;
 - (2) three credits of mathematics, including an algebra II credit or its equivalent, sufficient to satisfy all of the academic standards in mathematics;
 - (3) an algebra I credit by the end of 8th grade sufficient to satisfy all of the 8th grade standards in mathematics;
 - (4) three credits of science, including at least one credit of biology, one credit of chemistry or physics, and one elective credit of science. The combination of credits under this clause must be sufficient to satisfy (i) all of the academic standards in either chemistry or physics and (ii) all other academic standards in science;
 - (5) three and one-half credits of social studies, including credit for a course in government and citizenship in either 11th or 12th grade for students beginning 9th grade in the 2023-2024 school year and later or an advanced placement, international baccalaureate, or other rigorous course on government and citizenship under section 120B.021, subdivision 1a, and a combination of other credits encompassing at least United States history, geography, ethnic studies, government and citizenship, world history, and economics sufficient to satisfy all of the academic standards in social studies;
 - (6) one credit of the arts sufficient to satisfy all of the ~~state or local~~ academic standards in the arts; and
 - (7) a minimum of seven elective credits.
- (b) A school district is encouraged to offer a course for credit in government and citizenship to 11th or 12th grade students who begin 9th grade in the 2020-2021 school year and later, that satisfies the government and citizenship requirement in paragraph (a), clause (5). A school district must offer the course starting in the 2023-2024 school year.

(c) A student beginning 9th grade in the 2023-2024 school year and later must successfully complete a personal finance course for one-half credit during the student's senior year of high school. The course must include but is not limited to the following topics: creating a household budget; taking out loans and accruing debt, including how

interest works; home mortgages; how to file taxes; the impact of student loan debt; and how to read a paycheck and payroll deductions. A district may provide a personal finance course through in-person instruction, distance instruction, or a combination of in-person and distance instruction. The personal finance course may satisfy a social studies requirement, a career and technical education requirement in accordance with local standards, or other credit requirement, as determined by the school board.

EFFECTIVE DATE. This section is effective July 1, 2022. The addition of ethnic studies to the social studies credit requirement is effective for students entering grade 9 in the 2024-2025 school year.

Sec. 11. Minnesota Statutes 2020, section 120B.024, subdivision 2, is amended to read:

Subd. 2. **Credit equivalencies.** (a) A one-half credit of economics taught in a school's ~~agriculture~~ agricultural, food, and natural resources education or business ~~department~~ education program may fulfill a one-half credit in social studies under subdivision 1, clause (5), if the credit is sufficient to satisfy all of the academic standards in economics.

(b) An agriculture science or career and technical education credit may fulfill the elective science credit required under subdivision 1, clause (4), if the credit meets the state physical science, life science, earth and space science, chemistry, or physics academic standards or a combination of these academic standards as approved by the district. An agriculture or career and technical education credit may fulfill the credit in chemistry or physics required under subdivision 1, clause (4), if the credit meets the state chemistry or physics academic standards as approved by the district. A student must satisfy either all of the chemistry academic standards or all of the physics academic standards prior to graduation. An agriculture science or career and technical education credit may not fulfill the required biology credit under subdivision 1, clause (4).

(c) A career and technical education credit may fulfill a mathematics or arts credit requirement under subdivision 1, clause (2) or (6).

(d) An ~~agriculture~~ agricultural, food, and natural resources education teacher is not required to meet the requirements of Minnesota Rules, part 3505.1150, subpart 4 2, item B, to meet the credit equivalency requirements of paragraph (b) above.

(e) A computer science credit may fulfill a mathematics credit requirement under subdivision 1, clause (2), if the credit meets state academic standards in mathematics.

(f) A Project Lead the Way credit may fulfill a science or mathematics credit requirement under subdivision 1, clause (2) or (4), if the credit meets the state academic standards in science or mathematics.

Sec. 12. **[120B.025] ETHNIC STUDIES CURRICULUM.**

(a) "Ethnic studies" means the critical and interdisciplinary study of race, ethnicity, and indigeneity with a focus on the experiences and perspectives of people of color within and beyond the United States. Ethnic studies analyzes the ways in which race and racism have been and continue to be powerful social, cultural, and political forces, and the connections of race to the stratification of other groups, including stratification based on gender, class, sexual orientation, gender identity, disability, and legal status.

(b) Ethnic studies curriculum may be integrated into existing curricular opportunities or provided through additional curricular offerings.

Sec. 13. **[120B.0251] ETHNIC STUDIES.**

Subdivision 1. **Definition.** "Ethnic studies" has the meaning provided in section 120B.025.

Subd. 2. **Requirements.** (a) A student beginning grade 9 in the 2024-2025 school year and later must successfully complete a semester-long ethnic studies course to graduate from high school. The course must meet the minimum requirements of the model curriculum under subdivision 6. A district or charter school must offer an ethnic studies course that fulfills the requirements of this paragraph without increasing the number of credits required for graduation under section 120B.024.

(b) School districts and charter schools must provide ethnic studies instruction in elementary schools and middle schools by the 2025-2026 school year in accordance with Department of Education rules on ethnic studies.

(c) Ethnic studies instruction must meet statewide academic standards for ethnic studies curriculum.

(d) An ethnic studies course may focus specifically on a particular group of national or ethnic origin, including Hmong Studies or Somali Studies.

Subd. 3. **Rulemaking.** The commissioner of education must adopt rules for statewide academic standards for ethnic studies curriculum to be required for all kindergarten through grade 12 students. The rules must include a process for implementing standards statewide.

Subd. 4. **School needs assessment.** (a) A school district or charter school must conduct an ethnic studies school needs assessment with students, parents or guardians, and community members to determine the priorities for course selection, implementation, and timeline. The ethnic studies school needs assessment must include qualitative and quantitative components. Qualitative priorities must include a schoolwide listening session or feedback forum with students, parents or guardians, and community members. Quantitative priorities must include a school survey.

(b) A school district or charter school must annually evaluate the implementation of ethnic studies instruction by seeking feedback from students, parents or guardians, and community members. A school district or charter school must report to the commissioner of education in the form and manner determined by the commissioner on plans to modify implementation based on the annual evaluation.

Subd. 5. **Department of Education.** (a) The Department of Education must hire dedicated ethnic studies staff sufficient to fulfill the following department duties:

(1) monitor school district and charter school implementation of ethnic studies courses that fulfill ethnic studies standards;

(2) support school districts and charter schools in providing training for teachers and school district staff to successfully implement ethnic studies standards;

(3) require each school district or charter school to annually evaluate the implementation of the ethnic studies requirements by seeking feedback from students, parents or guardians, and community members;

(4) encourage school districts and charter schools to hire a dedicated coordinator for ethnic studies implementation with support from the Department of Education; and

(5) make available to school districts and charter schools the following:

(i) an ethnic studies school survey for each school district and charter school to use as part of a school needs assessment;

(ii) a list of recommended materials, resources, sample curricula, and pedagogical skills for use in kindergarten through grade 12 that accurately reflect the diversity of the state of Minnesota;

(iii) training materials for teachers, district staff, and school staff, including an ethnic studies coordinator, to implement ethnic studies requirements, including a school needs assessment; and

(iv) other resources to assist districts and charter schools in successfully implementing ethnic studies standards.

(b) The commissioner must review and revise the ethnic studies standards, once adopted, every ten years. Review and revision of the state standards must include robust community engagement and consultation with stakeholders.

Subd. 6. **Model curriculum.** (a) The Department of Education must encourage school districts and charter schools to use the model curriculum identified by the Ethnic Studies Task Force and to use materials authored by members of the community that is the subject of the course. The model curriculum must:

(1) use various forms of pedagogy to meet all students' needs, including participatory or research-based models for real-world connections to the current society;

(2) include a power, race, class, and gender analysis as part of the course via literature, discussion, classwork, and homework as it relates to ethnic studies courses; and

(3) include an intersectional analysis of climate, health, food, housing, education, and policy.

(b) The model ethnic studies curriculum must include the following topics:

(1) Latinx studies;

(2) African American studies;

(3) Asian American studies;

(4) Indigenous or First Nation studies; or

(5) introduction to ethnic studies.

EFFECTIVE DATE. This section is effective July 1, 2022, except subdivision 3, which is effective the day following final enactment.

Sec. 14. Minnesota Statutes 2020, section 120B.026, is amended to read:

120B.026 PHYSICAL EDUCATION; ~~EXCLUSION~~ EXCUSAL FROM CLASS; ~~RECESS~~.

A student may be excused from a physical education class if the student submits written information signed by a physician stating that physical activity will jeopardize the student's health. A student may be excused from a physical education class if being excused meets the child's unique and individualized needs according to the child's individualized education program, federal 504 plan, or individualized health plan. A student may be excused if a parent or guardian requests an exemption on religious grounds. A student with a disability must be provided with modifications or adaptations that allow physical education class to meet their needs. ~~Schools are strongly encouraged not to exclude students in kindergarten through grade 5 from recess due to punishment or disciplinary action.~~

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 15. Minnesota Statutes 2020, section 120B.11, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** For the purposes of this section and section 120B.10, the following terms have the meanings given them.

(a) "Instruction" means methods of providing learning experiences that enable a student to meet state and district academic standards and graduation requirements including applied and experiential learning.

(b) "Curriculum" means district or school adopted programs and written plans for providing students with learning experiences that lead to expected knowledge and skills and career and college readiness.

(c) "World's best workforce" means striving to: meet school readiness goals; have all third grade students achieve grade-level literacy; close the academic achievement gap among all racial and ethnic groups of students and between students living in poverty and students not living in poverty; have all students attain career and college readiness before graduating from high school; and have all students graduate from high school.

(d) "Experiential learning" means learning for students that includes career exploration through a specific class or course or through work-based experiences such as job shadowing, mentoring, entrepreneurship, service learning, volunteering, internships, other cooperative work experience, youth apprenticeship, or employment.

(e) "Ethnic studies" has the meaning provided in section 120B.025.

(f) "Antiracist" means actively working to identify and eliminate racism in all forms so that power and resources are redistributed and shared equitably among racial groups.

(g) "Culturally sustaining" means integrating content and practices that infuse the culture and language of Black, Indigenous, and People of Color communities who have been and continue to be harmed and erased through schooling.

(h) "Institutional racism" means structures, policies, and practices within and across institutions that produce outcomes that chronically favor white people and disadvantage those who are Black, Indigenous, and People of Color.

(i) "On track for graduation" means that at the end of grade 9, a student has earned at least five credits and has received no more than one failing grade in a term in a language arts, mathematics, science, or social studies course that fulfills a credit requirement under section 120B.024. A student is off track for graduation if the student fails to meet either of these criteria.

Sec. 16. Minnesota Statutes 2020, section 120B.11, subdivision 1a, is amended to read:

Subd. 1a. **Performance measures.** (a) Measures to determine school district and school site progress in striving to create the world's best workforce must include at least:

(1) the size of the academic achievement gap, rigorous course taking under section 120B.35, subdivision 3, paragraph (c), clause (2), participation in honors or gifted and talented programming, and enrichment experiences by student subgroup;

(2) student performance on the Minnesota Comprehensive Assessments;

(3) high school graduation rates; ~~and~~

(4) career and college readiness under section 120B.30, subdivision 1; and

(5) the number and percentage of students, by student subgroup, who are on track for graduation.

(b) A school district that offers advanced placement, international baccalaureate, or dual enrollment programs must report on the following performance measures starting in the 2023-2024 school year:

(1) participation in postsecondary enrollment options and concurrent enrollment programs;

(2) the number of students who took an advanced placement exam and the number of students who passed the exam; and

(3) the number of students who took the international baccalaureate exam and the number of students who passed the exam.

(c) Performance measures under this subdivision must be reported for all student subgroups identified in section 120B.35, subdivision 3, paragraph (b), clause (2).

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 17. Minnesota Statutes 2020, section 120B.11, subdivision 2, is amended to read:

Subd. 2. **Adopting plans and budgets.** A school board, at a public meeting, ~~shall~~ must adopt a comprehensive, long-term strategic plan to support and improve teaching and learning that is aligned with creating the world's best workforce and includes:

(1) clearly defined district and school site goals and benchmarks for instruction and student achievement for all student subgroups identified in section 120B.35, subdivision 3, paragraph (b), clause (2);

(2) a process to: assess and evaluate each student's progress toward meeting state and local academic standards; ~~assess and identify students to participate in gifted and talented programs and accelerate their instruction;~~ and; adopt early-admission procedures consistent with section 120B.15; assess ethnic studies curriculum needs to determine priorities for integrating ethnic studies into existing courses or developing new courses; ~~and identifying~~ identify the strengths and weaknesses of instruction in pursuit of student and school success and curriculum affecting students' progress and growth toward career and college readiness and leading to the world's best workforce;

(3) a system to periodically review and evaluate the effectiveness of all instruction and curriculum, including ethnic studies curriculum, taking into account strategies and best practices, student outcomes, school principal evaluations under section 123B.147, subdivision 3, students' access to effective teachers who are members of populations underrepresented among the licensed teachers in the district or school and who reflect the diversity of enrolled students under section 120B.35, subdivision 3, paragraph (b), clause (2), and teacher evaluations under section 122A.40, subdivision 8, or 122A.41, subdivision 5;

(4) strategies for improving instruction, curriculum, and student achievement, including:

(i) the English and, where practicable, the native language development and the academic achievement of English learners; and

(ii) access to ethnic studies curriculum using culturally responsive methodologies for all learners;

(5) a process to examine the equitable distribution of teachers and strategies to ensure children in low-income and minority families, children in families of people of color, and children in American Indian families are not taught at higher rates than other children by inexperienced, ineffective, or out-of-field teachers;

(6) education effectiveness practices that:

(i) integrate high-quality instruction, ~~rigorous curriculum~~, technology, and curriculum that is rigorous, accurate, antiracist, and culturally sustaining;

(ii) ensure learning and work environments validate, affirm, embrace, and integrate cultural and community strengths for all students, families, and employees; and

(iii) provide a collaborative professional culture that ~~develops and supports~~ seeks to retain qualified, racially and ethnically diverse staff effective at working with diverse students while developing and supporting teacher quality, performance, and effectiveness; ~~and~~

(7) an annual budget for continuing to implement the district plan; and

(8) identifying a list of suggested and required materials, resources, sample curricula, and pedagogical skills for use in kindergarten through grade 12 that accurately reflect the diversity of the state of Minnesota.

EFFECTIVE DATE. This section is effective for all strategic plans reviewed and updated after June 30, 2023.

Sec. 18. Minnesota Statutes 2020, section 120B.11, subdivision 3, is amended to read:

Subd. 3. **District advisory committee.** Each school board ~~shall~~ must establish an advisory committee to ensure active community participation in all phases of planning and improving the instruction and curriculum affecting state and district academic standards, consistent with subdivision 2. A district advisory committee, to the extent possible, ~~shall~~ must reflect the diversity of the district and its school sites, include teachers, parents, support staff, students, and other community residents, and provide translation to the extent appropriate and practicable. The district advisory committee ~~shall~~ must pursue community support to accelerate the academic and native literacy and achievement of English learners with varied needs, from young children to adults, consistent with section 124D.59, subdivisions 2 and 2a. The district may establish site teams as subcommittees of the district advisory committee under subdivision 4. The district advisory committee ~~shall~~ must recommend to the school board: rigorous academic standards; student achievement goals and measures consistent with subdivision 1a and sections 120B.022, subdivisions 1a and 1b, and 120B.35; district assessments; means to improve students' equitable access to effective and more diverse teachers; strategies to ensure the curriculum is rigorous, accurate, antiracist, and culturally sustaining; strategies to ensure that curriculum and learning and work environments validate, affirm, embrace, and integrate the cultural and community strengths of all racial and ethnic groups; and program evaluations. School sites may expand upon district evaluations of instruction, curriculum, assessments, or programs. Whenever possible, parents and other community residents ~~shall~~ must comprise at least two-thirds of advisory committee members.

Sec. 19. **[120B.113] CLOSING EDUCATIONAL OPPORTUNITY GAPS GRANTS.**

Subdivision 1. **Grant program established.** The commissioner of education must establish a grant program to support implementation of world's best workforce strategies under section 120B.11, subdivision 2, clauses (4) and (6), and collaborative efforts that address opportunity gaps resulting from curricular, environmental, and structural inequities in schools experienced by students, families, and staff who are of color or who are American Indian.

Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have the meanings given.

(b) "Antiracist" means actively working to identify and eliminate racism in all forms so that power and resources are redistributed and shared equitably among racial groups.

(c) "Curricular" means curriculum resources used and content taught as well as access to levels of coursework or types of learning opportunities.

(d) "Environmental" means relating to the climate and culture of a school.

(e) "Equitable" means fairness by providing curriculum, instruction, support, and other resources for learning based on the needs of individual students and groups of students to succeed at school rather than treating all students the same despite the students having different needs.

(f) "Institutional racism" means policies and practices within and across institutions that produce outcomes that chronically favor white people and disadvantage those who are Black, Indigenous, and People of Color.

(g) "Opportunity gap" means the inequitable distribution of resources that impacts inequitable opportunities that contribute to or perpetuate learning gaps for certain groups of students.

(h) "Structural" means relating to the organization and systems of a school that have been created to manage a school.

Subd. 3. **Applications and grant awards.** The commissioner must determine application procedures and deadlines, select districts and charter schools to participate in the grant program, and determine the award amount and payment process of the grants. To the extent that there are sufficient applications, the commissioner must award an approximately equal number of grants between districts in greater Minnesota and those in the Twin Cities metropolitan area. If there are an insufficient number of applications received for either geographic area, then the commissioner may award grants to meet the requests for funds wherever a district is located.

Subd. 4. **Description.** The grant program must provide funding that supports collaborative efforts that close opportunity gaps by:

(1) ensuring school environments and curriculum validate, affirm, embrace, and integrate cultural and community strengths of students, families, and employees from all racial and ethnic backgrounds; and

(2) addressing institutional racism with equitable school policies, structures, practices, and curricular offerings, consistent with the requirements for long-term plans under section 124D.861, subdivision 2, paragraph (c).

Subd. 5. **Report.** Grant recipients must annually report to the commissioner by a date and in a form and manner determined by the commissioner on efforts planned and implemented that engaged students, families, educators, and community members of diverse racial and ethnic backgrounds in making improvements to school climate and curriculum. The report must assess the impact of those efforts as perceived by racially and ethnically diverse stakeholders, and must identify any areas needed for further continuous improvement. The commissioner must publish a report for the public summarizing the activities of grant recipients and what was done to promote sharing of effective practices among grant recipients and potential grant applicants.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 20. Minnesota Statutes 2020, section 120B.12, is amended to read:

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

Subdivision 1. **Literacy goal.** The legislature seeks to have every child reading at or above grade level beginning in kindergarten and no later than the end of grade 3, including English learners, and that teachers provide comprehensive, scientifically based evidence-based reading instruction through a multitiered system of support and based in the science of reading by 2027. Instruction must focus on student mastery of the foundational reading skills of phonemic awareness, phonics, and fluency, as well as the development of oral language and vocabulary and reading comprehension skills. Students must receive evidenced-based instruction based in the science of reading that is proven to effectively teach children to read consistent with section 122A.06, subdivision 4.

Subd. 2. **Identification; report.** (a) Each school district must identify before the end of kindergarten, grade 1, and grade 2 all students who are not reading at grade level demonstrating mastery of foundational reading skills, including phonemic awareness, phonics, decoding, and fluency, using a screening tool approved by the Department of Education. Students identified as not reading at grade level demonstrating mastery of foundational reading skills by the end of kindergarten, grade 1, and grade 2 must be screened, in a locally determined manner using a tool approved by the Department of Education, for characteristics of dyslexia and screening data must be submitted to the Department of Education in the form and manner prescribed by the commissioner.

(b) Students in grade 3 or higher who demonstrate a reading difficulty to a classroom teacher must be screened, in a locally determined manner using a tool approved by the Department of Education, for deficits in foundational reading skills and characteristics of dyslexia, unless a different reason for the reading difficulty has been identified.

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

(d) The district also must annually report to the commissioner by December 15 and July 1 a summary of the district's efforts to screen and identify students who demonstrate characteristics of dyslexia using screening tools approved by the Department of Education such as those recommended by the department's dyslexia specialist. With respect to students screened or identified under paragraph (a), the report must include:

- (1) a summary of the district's efforts to screen for dyslexia;
- (2) the number of students screened for that reporting year; and
- (3) the number of students demonstrating characteristics of dyslexia for that year.

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

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

(1) the student's reading proficiency, including student performance on foundational reading skills and whether the student has been identified as demonstrating characteristics of dyslexia, as measured by a locally adopted assessment tool approved by the Department of Education;

(2) reading-related services currently being provided within a multitiered system of support framework to the student, specific curricula being used, the training and licensure of the teacher providing these services, how these services address identified skill deficits, and how the student's progress will be monitored; and

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

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

Subd. 3. **Intervention.** (a) For each student identified under subdivision 2, the district shall provide reading intervention to accelerate student growth and reach the goal of reading at or above grade level by the end of the current grade and school year. If a student does not read at or above grade level by the end of ~~grade 3~~ the current school year, the district must continue to provide reading intervention until the student reads at grade level. District intervention methods ~~shall encourage~~ must include family engagement and, where possible, collaboration with appropriate school and community programs that specialize in evidence-based instructional practices based in the science of reading and emphasis on mastery of foundational reading skills, including phonemic awareness, phonics, decoding, and fluency. Intervention methods must be taught by a certified or licensed reading specialist and may include, but are not limited to, requiring attendance in summer school, intensified reading instruction that may require that the student be removed from the regular classroom for part of the school day, extended-day programs, or programs that strengthen students' cultural connections.

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

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

(1) elementary teachers and early childhood educators, where appropriate, are able to implement comprehensive, scientifically based reading and oral language instruction based in the science of reading. Instruction provided by elementary teachers must include explicit, systematic instruction in the five reading areas of phonemic awareness, phonics, fluency, vocabulary, and comprehension as defined in section 122A.06, subdivision 4, and other literacy-related areas including writing until the student achieves grade-level reading proficiency. Instruction provided by early childhood educators must include explicit, systematic instruction in phonological and phonemic awareness, oral language, including listening comprehension and vocabulary, and letter-sound correspondence;

(2) elementary teachers and early childhood educators, where appropriate, have sufficient training to provide comprehensive, scientifically based reading and oral language instruction based in the science of reading that meets students' developmental, linguistic, and literacy needs, including foundational reading skills, using the intervention methods or programs selected by the district for the identified students;

(3) ~~licensed teachers employed by the district have regular opportunities to improve reading and writing instruction by July 1, 2027, all public school kindergarten through grade 3 teachers and support staff employed by the school district must be offered training and provided ongoing coaching in the science of reading using a training program approved by the Department of Education and must be funded with literacy incentive aid received annually by districts under section 124D.98;~~

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

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

Subd. 4a. **Local literacy plan.** (a) Consistent with this section, a school district must ~~adopt~~ submit a local literacy plan using the template provided by the Department of Education, to have every child in kindergarten through grade 3 developing early literacy skills and reading at or above grade level no later than the end of grade 3, including English learners. The plan must be consistent with section 122A.06, subdivision 4, and include the following:

(1) a process within a multitiered system of support framework to assess students' level of reading proficiency and ~~data to support the effectiveness of an assessment used to screen and identify a student's level of reading proficiency~~ foundational reading skills that are characteristic of dyslexia;

(2) a process to notify and ~~involve~~ partner with parents to promote developmentally appropriate and culturally relevant language and literacy support at home;

(3) a description of the data-based decision-making process within the multitiered system of support framework for how schools in the district will determine the ~~proper~~ appropriate reading instruction and intervention ~~strategy for a student to meet the identified student's needs~~ and the progress monitoring process for intensifying or modifying the reading ~~strategy~~ instruction and intervention in order to obtain measurable ~~reading~~ progress;

(4) a process within a multitiered system of support framework to implement explicit, systematic, evidence-based intervention methods based in the science of reading for students who demonstrate foundational reading skills deficits or are not reading at or above grade level and progress monitoring to provide information on the effectiveness of the intervention. Intervention methods may not include the three-cueing system. Progress monitoring must be completed to provide information on the effectiveness of the intervention; and

(5) a process to screen and identify students with characteristics of dyslexia as required by section 120B.12; and

~~(5)~~ (6) identification of staff development needs, including a program plan to meet those needs.

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

Subd. 5. **Commissioner.** The commissioner shall ~~recommend to districts multiple assessment tools~~ provide a menu of state-approved assessment tools that are aligned to the English language arts state academic standards and to early childhood indicators of progress to assist districts and teachers with identifying students under subdivision 2. The commissioner shall also make available ~~examples of nationally recognized and research-based instructional methods or programs to districts to provide~~ opportunities for teachers to be trained in the science of reading in order to ensure the instruction being provided is comprehensive, scientifically based reading instruction and intervention under this section.

Sec. 21. Minnesota Statutes 2020, section 120B.15, is amended to read:

120B.15 GIFTED AND TALENTED STUDENTS PROGRAMS AND SERVICES.

(a) School districts may identify students, locally develop programs and services addressing instructional and affective needs, provide staff development, and evaluate programs and services to provide gifted and talented students with challenging and appropriate educational programs and services.

(b) School districts must adopt guidelines for assessing and identifying students for participation in gifted and talented programs and services consistent with section 120B.11, subdivision 2, clause (2). The guidelines should include the use of:

(1) multiple and objective criteria; and

(2) assessments and procedures that are valid and reliable, fair, and based on current theory and research. Assessments and procedures ~~should~~ must be sensitive and equitable to underrepresented groups, including, but not limited to, low-income students, ~~minority~~ students of color and American Indian students, twice-exceptional students, students with 504 plans, and English learners. Assessments and procedures must be coordinated to allow for optimal identification of programs or services for underrepresented groups.

(c) School districts must adopt procedures for the academic acceleration of gifted and talented students consistent with section 120B.11, subdivision 2, clause (2). These procedures must include how the district will:

(1) assess a student's readiness and motivation for acceleration; and

(2) match the level, complexity, and pace of the curriculum to a student to achieve the best type of academic acceleration for that student.

(d) School districts must adopt procedures consistent with section 124D.02, subdivision 1, for early admission to kindergarten or first grade of gifted and talented learners consistent with section 120B.11, subdivision 2, clause (2). The procedures must be sensitive to underrepresented groups.

Sec. 22. Minnesota Statutes 2020, section 120B.30, subdivision 1, is amended to read:

Subdivision 1. **Statewide testing.** (a) The commissioner, with advice from experts with appropriate technical qualifications and experience and stakeholders, consistent with subdivision 1a, must include in the comprehensive assessment system, for each grade level to be tested, state-constructed tests developed as computer-adaptive reading and mathematics assessments for students that are aligned with the state's required academic standards under section 120B.021, include multiple choice questions, and are administered annually to all students in grades 3 through 8. State-developed high school tests aligned with the state's required academic standards under section 120B.021 and administered to all high school students in a subject other than writing must include multiple choice questions. The commissioner must establish a testing period as late as possible each school year during which schools must administer the Minnesota Comprehensive Assessments to students. The commissioner must publish the testing schedule at least two years before the beginning of the testing period.

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

(1) mathematics;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 23. Minnesota Statutes 2020, section 120B.30, subdivision 1a, is amended to read:

Subd. 1a. **Statewide and local assessments; results.** ~~(a) For purposes of this section, the following definitions have the meanings given them.~~

~~(1) "Computer adaptive assessments" means fully adaptive assessments.~~

~~(2) "Fully adaptive assessments" include test items that are on grade level and items that may be above or below a student's grade level.~~

~~(3) "On grade level" test items contain subject area content that is aligned to state academic standards for the grade level of the student taking the assessment.~~

~~(4) "Above grade level" test items contain subject area content that is above the grade level of the student taking the assessment and is considered aligned with state academic standards to the extent it is aligned with content represented in state academic standards above the grade level of the student taking the assessment. Notwithstanding the student's grade level, administering above grade level test items to a student does not violate the requirement that state assessments must be aligned with state standards.~~

~~(5) "Below grade level" test items contain subject area content that is below the grade level of the student taking the test and is considered aligned with state academic standards to the extent it is aligned with content represented in state academic standards below the student's current grade level. Notwithstanding the student's grade level, administering below grade level test items to a student does not violate the requirement that state assessments must be aligned with state standards.~~

~~(b)~~ The commissioner must use fully adaptive mathematics and reading assessments for grades 3 through 8.

~~(e)~~ (a) For purposes of conforming with existing federal educational accountability requirements, the commissioner must develop and implement computer-adaptive reading and mathematics assessments for grades 3 through 8, state-developed high school reading and mathematics tests aligned with state academic standards, a high school writing test aligned with state standards when it becomes available, and science assessments under clause (2) that districts and sites must use to monitor student growth toward achieving those standards. The commissioner must not develop statewide assessments for academic standards in social studies, health and physical education, and the arts. The commissioner must require:

(1) annual computer-adaptive reading and mathematics assessments in grades 3 through 8, and high school reading, writing, and mathematics tests; and

(2) annual science assessments in one grade in the grades 3 through 5 span, the grades 6 through 8 span, and a life sciences assessment in the grades 9 through 12 span, and the commissioner must not require students to achieve a passing score on high school science assessments as a condition of receiving a high school diploma.

~~(d)~~ (b) The commissioner must ensure that for annual computer-adaptive assessments:

(1) individual student performance data and achievement reports are available within three school days of when students take an assessment except in a year when an assessment reflects new performance standards;

(2) growth information is available for each student from the student's first assessment to each proximate assessment using a constant measurement scale;

(3) parents, teachers, and school administrators are able to use elementary and middle school student performance data to project students' secondary and postsecondary achievement; and

(4) useful diagnostic information about areas of students' academic strengths and weaknesses is available to teachers and school administrators for improving student instruction and indicating the specific skills and concepts that should be introduced and developed for students at given performance levels, organized by strands within subject areas, and aligned to state academic standards.

~~(e)~~ (c) The commissioner must ensure that all state tests administered to elementary and secondary students measure students' academic knowledge and skills and not students' values, attitudes, and beliefs.

~~(f)~~ (d) Reporting of state assessment results must:

(1) provide timely, useful, and understandable information on the performance of individual students, schools, school districts, and the state;

(2) include a growth indicator of student achievement; and

(3) determine whether students have met the state's academic standards.

~~(g)~~ (e) Consistent with applicable federal law, the commissioner must include appropriate, technically sound accommodations or alternative assessments for the very few students with disabilities for whom statewide assessments are inappropriate and for English learners.

~~(h)~~ (f) A school, school district, and charter school must administer statewide assessments under this section, as the assessments become available, to evaluate student progress toward career and college readiness in the context of the state's academic standards. A school, school district, or charter school may use a student's performance on a statewide assessment as one of multiple criteria to determine grade promotion or retention. A school, school district, or charter school may use a high school student's performance on a statewide assessment as a percentage of the student's final grade in a course, or place a student's assessment score on the student's transcript.

Sec. 24. Minnesota Statutes 2020, section 120B.301, is amended to read:

120B.301 LIMITS ON LOCAL TESTING.

(a) For students in grades 1 through 6, the cumulative total amount of time spent taking locally adopted districtwide or schoolwide assessments must not exceed ten hours per school year. For students in grades 7 through 12, the cumulative total amount of time spent taking locally adopted districtwide or schoolwide assessments must not exceed 11 hours per school year. For purposes of this paragraph, international baccalaureate and advanced placement exams are not considered locally adopted assessments.

(b) A district or charter school is exempt from the requirements of paragraph (a), if the district or charter school, in consultation with the exclusive representative of the teachers or other teachers if there is no exclusive representative of the teachers, decides to exceed a time limit in paragraph (a) and includes the information in the report required under section 120B.11, subdivision 5.

(c) A district or charter school, ~~before the first day of each school year,~~ must publish on its website a comprehensive calendar of standardized tests to be administered in the district or charter school during that school year. The calendar must provide the rationale for administering each assessment and indicate whether the assessment is a local option or required by state or federal law. The calendar must be published at least one week prior to any eligible assessments being administered and no later than October 1.

Sec. 25. Minnesota Statutes 2020, section 120B.35, subdivision 3, is amended to read:

Subd. 3. **State growth target measures; other state measures.** (a)(1) The state's educational assessment system measuring individual students' educational growth is based on indicators of current achievement ~~growth~~ that show growth from an individual student's prior achievement. Indicators of achievement and prior achievement must be based on highly reliable statewide or districtwide assessments. Indicators that take into account a student's prior achievement must not be used to disregard a school's low achievement or to exclude a school from a program to improve low-achievement levels.

(2) For purposes of paragraphs (b), (c), and (d), the commissioner must analyze and report, as soon as practicable, separate categories of information using the student categories identified under the federal Elementary and Secondary Education Act, as most recently reauthorized, and, in addition to "other" for each race and ethnicity, and the Karen community, seven of the most populous Asian ~~and Pacific Islander~~ groups, three of the most populous Native groups, seven of the most populous Hispanic/Latino groups, and five of the most populous Black and African Heritage groups ~~as determined by the total Minnesota population based on the most recent American Community Survey.~~ These groups must be determined by a ten-year cycle using the American Community Survey of the total Minnesota population. The determination must be based on the most recent five-year dataset starting with the 2021-2025 dataset. Additional categories must include English learners under section 124D.59; home language; free or reduced-price ~~lunch~~ meals; and all students enrolled in a Minnesota public school who are currently or were previously in foster care, except that such disaggregation and cross tabulation is not required if the number of students in a category is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual student.

(b) The commissioner, in consultation with a stakeholder group that includes assessment and evaluation directors, district staff, experts in culturally responsive teaching, and researchers, must implement a an appropriate growth model that compares the difference in students' achievement scores over time, and includes criteria for identifying schools and school districts that demonstrate academic progress or progress toward English language proficiency. The model may be used to advance educators' professional development and replicate programs that succeed in meeting students' diverse learning needs. Data on individual teachers generated under the model are personnel data under section 13.43. The model must allow users to:

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

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

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

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

(1) a preparation measure indicating the number and percentage of high school graduates in the most recent school year who completed course work important to preparing them for postsecondary academic and career opportunities, consistent with the core academic subjects required for admission to Minnesota's public colleges and universities as determined by the Office of Higher Education under chapter 136A; and

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

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

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

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

- (1) the four- and six-year graduation rates of students under this paragraph;
- (2) the percent of students under this paragraph whose progress and performance levels are meeting career and college readiness benchmarks under section 120B.30, subdivision 1; and
- (3) the success that learning year program providers experience in:
 - (i) identifying at-risk and off-track student populations by grade;
 - (ii) providing successful prevention and intervention strategies for at-risk students;
 - (iii) providing successful recuperative and recovery or reenrollment strategies for off-track students; and
 - (iv) improving the graduation outcomes of at-risk and off-track students.

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

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

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

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

EFFECTIVE DATE. This section is effective the day following final enactment. The next update to the data used to determine the most populous groups must be implemented in 2026 using the 2021-2025 dataset.

Sec. 26. Minnesota Statutes 2020, section 120B.36, subdivision 2, is amended to read:

Subd. 2. **Student progress and other data.** (a) All data the department receives, collects, or creates under section 120B.11, governing the world's best workforce, or uses to determine federal expectations under the most recently reauthorized Elementary and Secondary Education Act, ~~set state growth targets,~~ and determine student growth, learning, and outcomes under section 120B.35 are nonpublic data under section 13.02, subdivision 9, until the commissioner publicly releases the data.

(b) Districts must provide parents sufficiently detailed summary data to permit parents to appeal under the most recently reauthorized federal Elementary and Secondary Education Act. The commissioner shall annually post federal expectations and state student growth, learning, and outcome data to the department's public website no later than September 1, except that in years when data or federal expectations reflect new performance standards, the commissioner shall post data on federal expectations and state student growth data no later than October 1.

Sec. 27. **[121A.041] AMERICAN INDIAN MASCOTS PROHIBITED.**

Subdivision 1. **Prohibition.** (a) A public school may not have or adopt a name, symbol, or image that depicts or refers to an American Indian Tribe, individual, custom, or tradition to be used as a mascot, nickname, logo, letterhead, or team name of the district or school within the district.

(b) A public school may seek an exemption to paragraph (a) by submitting a request in writing to the Tribal Nations Education Committee and the Indian Affairs Council, which jointly shall have discretion to grant such an exemption. A public school that has a mascot prohibited by this section must request an exemption by January 1, 2023.

Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have the meanings given.

(b) "American Indian" means an individual who is:

(1) a member of an Indian Tribe or Band, as membership is defined by the Tribe or Band, including:

(i) any Tribe or Band terminated since 1940; and

(ii) any Tribe or Band recognized by the state in which the Tribe or Band resides;

(2) a descendant, in the first or second degree, of an individual described in clause (1);

(3) considered by the Secretary of the Interior to be an Indian for any purpose;

(4) an Eskimo, Aleut, or other Alaska Native; or

(5) a member of an organized Indian group that received a grant under the Indian Education Act of 1988 as in effect the day preceding October 20, 1994.

(c) "District" means a district under section 120A.05, subdivision 8.

(d) "Mascot" means any human, nonhuman animal, or object used to represent a school and its population.

(e) "Public school" or "school" means a public school under section 120A.05, subdivisions 9, 11, 13, and 17, and a charter school under chapter 124E.

Sec. 28. **[121A.201] MULTI-TIERED SYSTEM OF SUPPORT.**

The Minnesota Multi-Tiered System of Supports (MnMTSS) is a systemic, continuous improvement framework for ensuring positive social, emotional, behavioral, developmental, and academic outcomes for every student. MnMTSS provides access to layered tiers of culturally and linguistically responsive, evidence-based practices. The MnMTSS framework relies on the understanding and belief that every student can learn and thrive, and it engages an anti-racist approach to examining policies and practices and ensuring equitable distribution of resources and opportunity. This systemic framework requires:

(1) design and delivery of culturally and linguistically responsive, effective, standards-based core instruction in safe, supportive environments inclusive of every student as a necessary foundation for tiered supports;

(2) layered tiers of culturally and linguistically responsive supplemental and intensive supports to meet each student's needs;

(3) developing collective knowledge and experience through engagement in representative partnerships with students, education professionals, families, and communities;

(4) multidisciplinary teams of education professionals that review and use data to prevent and solve problems, inform instruction and supports, and ensure effective implementation in partnership with students and families;

(5) effective and timely use of meaningful, culturally relevant data disaggregated by student groups identified in section 121A.031 that includes but is not limited to universal screening, frequent progress monitoring, implementation fidelity, and multiple qualitative and quantitative sources; and

(6) ongoing professional learning on the MnMTSS systemic framework using anti-racist approaches to training and coaching.

Sec. 29. Minnesota Statutes 2020, section 121A.41, subdivision 2, is amended to read:

Subd. 2. **Dismissal.** "Dismissal" means the denial of the current educational program to any pupil, including exclusion, expulsion, and out-of-school suspension. ~~It~~ Dismissal does not include removal from class.

Sec. 30. Minnesota Statutes 2020, section 121A.41, subdivision 10, is amended to read:

Subd. 10. **In-school suspension; out-of-school suspension.** (a) "In-school suspension" means an instance in which a pupil is temporarily removed from the pupil's regular classroom for at least half a day for disciplinary purposes, but remains under the direct supervision of school personnel. For purposes of this paragraph, "direct supervision" means school personnel are physically in the same location as students under supervision.

(b) "Out-of-school suspension" means an action by the school administration, under rules promulgated by the school board, prohibiting a pupil from attending school for a period of no more than ten school days. If a suspension is longer than five days, the suspending administrator must provide the superintendent with a reason for the longer suspension. This definition does not apply to dismissal from school for ~~one school day or less~~ than one school day, except as provided in federal law for a student with a disability. Each suspension action may include a readmission plan. The readmission plan shall include, where appropriate, a provision for implementing alternative educational services upon readmission and may not be used to extend the current suspension. Consistent with section 125A.091, subdivision 5, the readmission plan must not obligate a parent to provide a sympathomimetic medication for the parent's child as a condition of readmission. The school administration may not impose consecutive suspensions against the same pupil for the same course of conduct, or incident of misconduct, except where the pupil will create an immediate and substantial danger to self or to surrounding persons or property, or where the district is in the process of initiating an expulsion, in which case the school administration may extend the suspension to a total of 15 school days.

EFFECTIVE DATE. This section is effective for the 2022-2023 school year and later.

Sec. 31. Minnesota Statutes 2020, section 121A.41, is amended by adding a subdivision to read:

Subd. 12. Nonexclusionary disciplinary policies and practices; alternatives to pupil removal and dismissal. "Nonexclusionary disciplinary policies and practices" means policies and practices that are alternatives to removing a pupil from class or dismissing a pupil from school, including evidence-based positive behavior interventions and supports, social and emotional services, school-linked mental health services, counseling services, social work services, referrals for special education or 504 evaluations, academic screening for Title 1 services or reading interventions, and alternative education services. Nonexclusionary disciplinary policies and practices require school officials to intervene in, redirect, and support a pupil's behavior before removing a pupil from class or beginning dismissal proceedings. Nonexclusionary disciplinary policies and practices include but are not limited to the policies and practices under sections 120B.12; 121A.575, clauses (1) and (2); 121A.031, subdivision 4, paragraph (a), clause (1); 121A.61, subdivision 3, paragraph (r); and 122A.627, clause (3).

EFFECTIVE DATE. This section is effective for the 2022-2023 school year and later.

Sec. 32. Minnesota Statutes 2020, section 121A.41, is amended by adding a subdivision to read:

Subd. 13. Pupil withdrawal agreement. "Pupil withdrawal agreement" means a verbal or written agreement between a school administrator or district administrator and a pupil's parent to withdraw a student from the school district to avoid expulsion or exclusion dismissal proceedings. The duration of the withdrawal agreement cannot be for more than a 12-month period.

EFFECTIVE DATE. This section is effective for the 2022-2023 school year and later.

Sec. 33. Minnesota Statutes 2020, section 121A.425, is amended to read:

121A.425 FULL AND EQUITABLE PARTICIPATION IN ~~PRESCHOOL AND PREKINDERGARTEN~~ EARLY LEARNING.

Subdivision 1. **Disciplinary dismissals prohibited.** (a) A pupil enrolled in the following is not subject to dismissals under this chapter:

(1) a preschool or prekindergarten program, including ~~a child participating in~~ early childhood family education, school readiness, school readiness plus, voluntary prekindergarten, Head Start, or other school-based preschool or prekindergarten program, ~~may not be subject to dismissals under this chapter; or~~

(2) kindergarten through grade 3.

(b) Notwithstanding this subdivision, expulsions and exclusions may be used only after resources outlined in subdivision 2 have been exhausted, and only in circumstances where there is an ongoing serious safety threat to the child or others.

Subd. 2. **Nonexclusionary discipline.** For purposes of this section, nonexclusionary discipline must include at least one of the following:

(1) collaborating with the pupil's family or guardian, child mental health consultant or provider, education specialist, or other community-based support;

(2) creating a plan, written with the parent or guardian, that details the action and support needed for the pupil to fully participate in the current educational program, including a preschool or prekindergarten program; or

(3) providing a referral for needed support services, including parenting education, home visits, other supportive education interventions, or, where appropriate, an evaluation to determine if the pupil is eligible for special education services or section 504 services.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 34. Minnesota Statutes 2020, section 121A.45, subdivision 1, is amended to read:

Subdivision 1. **Provision of alternative programs.** No school shall dismiss any pupil without attempting to ~~provide alternative educational services~~ use nonexclusionary disciplinary policies and practices before dismissal proceedings or pupil withdrawal agreements, except where it appears that the pupil will create an immediate and substantial danger to self or to surrounding persons or property.

EFFECTIVE DATE. This section is effective for the 2022-2023 school year and later.

Sec. 35. Minnesota Statutes 2020, section 121A.46, subdivision 4, is amended to read:

Subd. 4. **Provision of alternative education services; suspension pending expulsion or exclusion hearing.**
(a) Alternative education services must be provided to a pupil who is suspended for more than five consecutive school days.

(b) Notwithstanding the provisions of subdivisions 1 and 3, the pupil may be suspended pending the school board's decision in the expulsion or exclusion hearing; provided that alternative educational services are implemented to the extent that suspension exceeds five consecutive school days.

EFFECTIVE DATE. This section is effective for the 2022-2023 school year and later.

Sec. 36. Minnesota Statutes 2020, section 121A.46, is amended by adding a subdivision to read:

Subd. 5. **Minimum education services.** School administration must allow a suspended pupil the opportunity to complete all school work assigned during the period of the pupil's suspension and to receive full credit for satisfactorily completing the assignments. The school principal or other person having administrative control of the school building or program is encouraged to designate a district or school employee as a liaison to work with the pupil's teachers to allow the suspended pupil to (1) receive timely course materials and other information, and (2) complete daily and weekly assignments and receive teachers' feedback.

EFFECTIVE DATE. This section is effective for the 2022-2023 school year and later.

Sec. 37. Minnesota Statutes 2020, section 121A.47, subdivision 2, is amended to read:

Subd. 2. **Written notice.** Written notice of intent to take action shall:

- (a) be served upon the pupil and the pupil's parent or guardian personally or by mail;
- (b) contain a complete statement of the facts, a list of the witnesses and a description of their testimony;
- (c) state the date, time, and place of the hearing;
- (d) be accompanied by a copy of sections 121A.40 to 121A.56;

(e) describe ~~alternative educational services~~ the nonexclusionary disciplinary practices accorded the pupil in an attempt to avoid the expulsion proceedings; and

(f) inform the pupil and parent or guardian of the right to:

(1) have a representative of the pupil's own choosing, including legal counsel, at the hearing. The district ~~shall~~ must advise the pupil's parent or guardian that free or low-cost legal assistance may be available and that a legal assistance resource list is available from the Department of Education and is posted on their website;

(2) examine the pupil's records before the hearing;

(3) present evidence; and

(4) confront and cross-examine witnesses.

EFFECTIVE DATE. This section is effective for the 2022-2023 school year and later.

Sec. 38. Minnesota Statutes 2020, section 121A.47, subdivision 14, is amended to read:

Subd. 14. **Admission or readmission plan.** (a) A school administrator ~~shall~~ must prepare and enforce an admission or readmission plan for any pupil who is excluded or expelled from school. The plan ~~may~~ must include measures to improve the pupil's behavior, ~~including which may include~~ completing a character education program, consistent with section 120B.232, subdivision 1, ~~and social and emotional learning, counseling, social work services, mental health services, referrals for special education or 504 evaluation, and evidence-based academic interventions.~~ The plan must require parental involvement in the admission or readmission process, and may indicate the consequences to the pupil of not improving the pupil's behavior.

(b) The definition of suspension under section 121A.41, subdivision 10, does not apply to a student's dismissal from school for ~~one school day or less than one school day~~, except as provided under federal law for a student with a disability. Each suspension action may include a readmission plan. A readmission plan must provide, where appropriate, alternative education services, which must not be used to extend the student's current suspension period. Consistent with section 125A.091, subdivision 5, a readmission plan must not obligate a parent or guardian to provide psychotropic drugs to their student as a condition of readmission. School officials must not use the refusal of a parent or guardian to consent to the administration of psychotropic drugs to their student or to consent to a psychiatric evaluation, screening or examination of the student as a ground, by itself, to prohibit the student from attending class or participating in a school-related activity, or as a basis of a charge of child abuse, child neglect or medical or educational neglect.

EFFECTIVE DATE. This section is effective for the 2022-2023 school year and later.

Sec. 39. Minnesota Statutes 2020, section 121A.53, subdivision 1, is amended to read:

Subdivision 1. **Exclusions and expulsions; pupil withdrawals; physical assaults.** Consistent with subdivision 2, the school board must report through the department electronic reporting system each exclusion or expulsion ~~and,~~ each physical assault of a district employee by a ~~student pupil, and each pupil withdrawal agreement~~ within 30 days of the effective date of the dismissal action, pupil withdrawal, or assault, to the commissioner of education. This report must include a statement of ~~alternative educational services~~ nonexclusionary disciplinary practices, or other sanction, intervention, or resolution in response to the assault given the pupil and the reason for, the effective date, and the duration of the exclusion or expulsion or other sanction, intervention, or resolution. The report must also include the ~~student's~~ pupil's age, grade, gender, race, and special education status.

EFFECTIVE DATE. This section is effective for the 2022-2023 school year and later.

Sec. 40. Minnesota Statutes 2020, section 121A.55, is amended to read:

121A.55 POLICIES TO BE ESTABLISHED.

(a) The commissioner of education ~~shall~~ must promulgate guidelines to assist each school board. Each school board ~~shall~~ must establish uniform criteria for dismissal and adopt written policies and rules to effectuate the purposes of sections 121A.40 to 121A.56. The policies ~~shall~~ must include nonexclusionary disciplinary policies and practices consistent with section 121A.41, subdivision 12, and must emphasize preventing dismissals through early detection of problems ~~and shall~~. The policies must be designed to address students' inappropriate behavior from recurring.

(b) The policies ~~shall~~ must recognize the continuing responsibility of the school for the education of the pupil during the dismissal period.

(c) The school is responsible for ensuring that alternative educational services, if the pupil wishes to take advantage of them, must be adequate to allow the pupil to make progress ~~towards~~ toward meeting the graduation standards adopted under section 120B.02 and help prepare the pupil for readmission in accordance with section 121A.46, subdivision 5.

(d) For expulsion and exclusion dismissals and pupil withdrawal agreements as defined in section 121A.41, subdivision 13:

(1) a school district's continuing responsibility includes reviewing the pupil's school work and grades on a quarterly basis to ensure the pupil is on track for readmission with the pupil's peers. School districts must communicate on a regular basis with the pupil's parent or guardian to ensure the pupil is completing the work assigned through the alternative educational services;

(2) a pupil receiving school-based or school-linked mental health services in the district under section 245.4889 continues to be eligible for those services until the pupil is enrolled in a new district; and

(3) a school district must provide to the pupil's parent or guardian information on accessing mental health services, including any free or sliding fee providers in the community. The information must also be posted on the district or charter school website.

~~(b)~~ (e) An area learning center under section 123A.05 may not prohibit an expelled or excluded pupil from enrolling solely because a district expelled or excluded the pupil. The board of the area learning center may use the provisions of the Pupil Fair Dismissal Act to exclude a pupil or to require an admission plan.

~~(c)~~ (f) Each school district shall develop a policy and report it to the commissioner on the appropriate use of peace officers and crisis teams to remove students who have an individualized education program from school grounds.

EFFECTIVE DATE. This section is effective for the 2022-2023 school year and later.

Sec. 41. Minnesota Statutes 2020, section 121A.61, subdivision 1, is amended to read:

Subdivision 1. **Required policy.** Each school board must adopt a written districtwide school discipline policy which includes written rules of conduct for students, minimum consequences for violations of the rules, and grounds and procedures for removal of a student from class. The policy must contain the discipline complaint procedure that any member of the school community may use to file a complaint regarding the application of discipline policies

and seek corrective action. The policy must be developed in consultation with administrators, teachers, employees, pupils, parents, community members, law enforcement agencies, county attorney offices, social service agencies, and such other individuals or organizations as the board determines appropriate. A school site council may adopt additional provisions to the policy subject to the approval of the school board.

Sec. 42. Minnesota Statutes 2020, section 121A.61, subdivision 3, is amended to read:

Subd. 3. **Policy components.** The policy must include at least the following components:

- (a) rules governing student conduct and procedures for informing students of the rules;
- (b) the grounds for removal of a student from a class;
- (c) the authority of the classroom teacher to remove students from the classroom pursuant to procedures and rules established in the district's policy;
- (d) the procedures for removal of a student from a class by a teacher, school administrator, or other school district employee;
- (e) the period of time for which a student may be removed from a class, which may not exceed five class periods for a violation of a rule of conduct;
- (f) provisions relating to the responsibility for and custody of a student removed from a class;
- (g) the procedures for return of a student to the specified class from which the student has been removed;
- (h) the procedures for notifying a student and the student's parents or guardian of violations of the rules of conduct and of resulting disciplinary actions;
- (i) any procedures determined appropriate for encouraging early involvement of parents or guardians in attempts to improve a student's behavior;
- (j) any procedures determined appropriate for encouraging early detection of behavioral problems;
- (k) any procedures determined appropriate for referring a student in need of special education services to those services;
- (l) any procedures determined appropriate for ensuring victims of bullying who respond with behavior not allowed under the school's behavior policies have access to a remedial response, consistent with section 121A.031;
- ~~(m)~~ (m) the procedures for consideration of whether there is a need for a further assessment or of whether there is a need for a review of the adequacy of a current individualized education program of a student with a disability who is removed from class;
- ~~(n)~~ (n) procedures for detecting and addressing chemical abuse problems of a student while on the school premises;
- ~~(o)~~ (o) the minimum consequences for violations of the code of conduct;
- ~~(p)~~ (p) procedures for immediate and appropriate interventions tied to violations of the code;

~~(p)~~ (q) a provision that states that a teacher, school employee, school bus driver, or other agent of a district may use reasonable force in compliance with section 121A.582 and other laws;

~~(q)~~ (r) an agreement regarding procedures to coordinate crisis services to the extent funds are available with the county board responsible for implementing sections 245.487 to 245.4889 for students with a serious emotional disturbance or other students who have an individualized education program whose behavior may be addressed by crisis intervention; ~~and~~

~~(r)~~ (s) a provision that states a student must be removed from class immediately if the student engages in assault or violent behavior. For purposes of this paragraph, "assault" has the meaning given it in section 609.02, subdivision 10. The removal shall be for a period of time deemed appropriate by the principal, in consultation with the teacher;

(t) a prohibition on the use of exclusionary practices for early learners as defined in section 121A.425; and

(u) a prohibition on the use of exclusionary practices to address attendance and truancy issues.

Sec. 43. Minnesota Statutes 2020, section 121A.61, is amended by adding a subdivision to read:

Subd. 4. **Discipline complaint procedure.** The discipline policy must contain procedures for students, parents and other guardians, and school staff to file a complaint and seek corrective action when the requirements of sections 121A.40 to 121A.61, including the implementation of the local behavior and discipline policies, are not being implemented appropriately or are being discriminately applied. Each district and school policy implemented under this section must, at a minimum:

(1) provide procedures for communicating this policy including the ability for a parent to appeal a decision under section 121A.49 that contains explicit instructions for filing the complaint;

(2) provide an opportunity for involved parties to submit additional information related to the complaint;

(3) provide a procedure to begin to investigate complaints within three school days of receipt, and identify personnel who will manage the investigation and any resulting record and are responsible for keeping and regulating access to any record;

(4) provide procedures for issuing a written determination to the complainant that addresses each allegation and contains findings and conclusions;

(5) if the investigation finds the requirements of sections 121A.40 to 121A.61, including any local policies that were not implemented appropriately, contain procedures that require a corrective action plan to correct a student's record and provide relevant staff with training, coaching, or other accountability practices to ensure appropriate compliance with policies in the future; and

(6) prohibit reprisals or retaliation against any person who asserts, alleges, or reports a complaint, and provide procedures for applying appropriate consequences for a person who engages in reprisal or retaliation.

Sec. 44. **[121A.611] RECESS AND OTHER BREAKS.**

(a) "Recess detention" as used in this chapter means excluding or excessively delaying a student from participating in a scheduled recess period as a consequence for student behavior. Recess detention does not include, among other things, providing alternative recess at the student's choice.

(b) A school district or charter school is encouraged to ensure student access to structured breaks from the demands of school and to support teachers, principals, and other school staff in their efforts to use evidence-based approaches to reduce exclusionary forms of discipline.

(c) A school district or charter school must not use recess detention unless:

(1) a student causes or is likely to cause serious physical harm to other students or staff;

(2) the student's parent or guardian specifically consents to the use of recess detention; or

(3) for students receiving special education services, the student's individualized education program team has determined that withholding recess is appropriate based on the individualized needs of the student.

(d) A school district or charter school must require school staff to make a reasonable attempt to notify a parent or guardian within 24 hours of using recess detention.

(e) A school district or charter school must compile information on each recess detention at the end of each school year, including the student's age, grade, gender, race or ethnicity, and special education status. A school district or charter school is encouraged to use the data in professional development promoting the use of nonexclusionary discipline. This information must be available to the public upon request.

(f) A school district must not withhold or excessively delay a student's participation in scheduled mealtimes. This section does not alter a district's existing responsibilities under section 124D.111 or other state or federal law.

Sec. 45. Minnesota Statutes 2020, section 122A.06, subdivision 4, is amended to read:

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~~ explicit, systematic instruction based in the science of reading with instruction in all five areas of reading: phonemic awareness, phonics, fluency, vocabulary development, and reading comprehension.

Comprehensive, scientifically based reading instruction ~~also occurs within a multitiered system of support framework.~~ A multitiered system of support 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 instruction and interventions based in the science of reading so that students of all ages and proficiency levels can read and comprehend text, write, and apply higher level thinking skills. Instruction within a multitiered system of support framework includes core, supplemental, and intensive reading instruction used at each grade level, including prekindergarten through third grade, and must be designed around teaching the five foundational reading skills based in the science of reading. 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) For the purposes of this subdivision, the following terms have the meanings given:

~~(b)~~ (1) "Fluency" is means the ability of students to read text with speed, accuracy, and proper expression.

~~(c)~~ (2) "Phonemic awareness" is means the ability of students to notice, think about, and manipulate individual sounds in spoken syllables and words.

(3) "Phonics instruction" means the explicit, systematic, and direct instruction of the relationships between letters and the sounds they represent and the application of this knowledge in reading and spelling.

~~(d)~~ (4) "Phonics" ~~is~~ means 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)~~ (5) "Reading comprehension" ~~is~~ means 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)~~ (6) "Vocabulary development" ~~is~~ means 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.

(7) "Foundational reading skills" means phonological and phonemic awareness, phonics or decoding, and fluency. Foundational reading skills appropriate to each grade level must be mastered in kindergarten, grade 1, and grade 2. Struggling readers in grade 3 and higher who demonstrate deficits in foundational reading skills may require explicit, systematic instruction to reach mastery.

(8) A "multitiered system of support" means a systematic preventative approach that addresses the academic, behavioral, and social-emotional needs of all students at the core (universal), targeted (Tier I), and intensive (Tier II) levels. Through a multitiered system of support a teacher must provide high quality, scientifically based or evidence-based instruction and intervention that is matched to a student's needs; uses a method monitoring progress frequently to inform decisions about instruction and goals; and applies data literacy skills to educational decision making.

(c) Beginning in the 2022-2023 school year, a public school district or charter school must transition away from a program of instruction for students in kindergarten through grade 2 that is based in any practice or intervention program that uses:

(1) visual memory as the primary basis for teaching word recognition; or

(2) the three-cueing system model of reading based on meaning, structure and syntax, and visual, which is also known as "MSV."

~~(g)~~ (d) Nothing in this subdivision limits the authority of a school district to select a school's reading program or curriculum.

Sec. 46. Minnesota Statutes 2020, section 124D.09, subdivision 3, is amended to read:

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

(a) "Eligible institution" means a Minnesota public postsecondary institution, a private, nonprofit two-year trade and technical school granting associate degrees, an opportunities industrialization center accredited by an accreditor recognized by the United States Department of Education, or a private, residential, two-year or four-year, liberal arts, degree-granting college or university located in Minnesota. An eligible institution cannot require a faith statement during the application process or base any part of the admission decision on a student's race, creed, ethnicity, disability, gender, or sexual orientation or religious beliefs or affiliations.

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

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

Sec. 47. Minnesota Statutes 2020, section 124D.09, subdivision 9, is amended to read:

Subd. 9. **Enrollment priority.** (a) A postsecondary institution must give priority to its postsecondary students when enrolling pupils in grades 10, 11, and 12 in its courses. A postsecondary institution may provide information about its programs to a secondary school or to a pupil or parent and it may advertise or otherwise recruit or solicit a secondary pupil to enroll in its programs ~~on educational and programmatic grounds only except, notwithstanding other law to the contrary, and for the 2014 2015 through 2019 2020 school years only, an eligible postsecondary institution may advertise or otherwise recruit or solicit a secondary pupil residing in a school district with 700 students or more in grades 10, 11, and 12, to enroll in its programs on educational, programmatic, or financial grounds.~~

(b) An institution must not enroll secondary pupils, for postsecondary enrollment options purposes, in remedial, developmental, or other courses that are not college level except when a student eligible to participate and enrolled in the graduation incentives program under section 124D.68 enrolls full time in a middle or early college program. A middle or early college program must be specifically designed to allow the student to earn dual high school and college credit with a well-defined pathway to allow the student to earn a postsecondary degree or credential. In this case, the student must receive developmental college credit and not college credit for completing remedial or developmental courses.

(c) Once a pupil has been enrolled in any postsecondary course under this section, the pupil must not be displaced by another student.

(d) If a postsecondary institution enrolls a secondary school pupil in a course under this section, the postsecondary institution also must enroll in the same course an otherwise enrolled and qualified postsecondary student who qualifies as a veteran under section 197.447, and demonstrates to the postsecondary institution's satisfaction that the institution's established enrollment timelines were not practicable for that student.

(e) A postsecondary institution must allow secondary pupils to enroll in online courses under this section consistent with the institution's policy regarding postsecondary pupil enrollment in online courses.

Sec. 48. Minnesota Statutes 2020, section 124D.09, subdivision 10, is amended to read:

Subd. 10. **Courses according to agreements.** (a) An eligible pupil, according to subdivision 5, may enroll in a nonsectarian course taught by a secondary teacher or a postsecondary faculty member and offered at a secondary school, or another location, according to an agreement between a public school board and the governing body of an eligible public postsecondary system or an eligible private postsecondary institution, as defined in subdivision 3. All provisions of this section apply to a pupil, public school board, district, and the governing body of a postsecondary institution, except as otherwise provided. A secondary school or a postsecondary institution that enrolls eligible pupils in courses according to agreements must annually report to the commissioner the participation rates of pupils enrolled in courses according to agreements, including the number of pupils enrolled and the number of courses taken for postsecondary credit.

(b) To encourage students, especially American Indian students and students of color, to consider teaching as a profession, participating schools, school districts, and postsecondary institutions are encouraged to develop and offer an "Introduction to Teaching" or "Introduction to Education" course under this subdivision. For the purpose of

applying for grants under this paragraph, "eligible institution" includes schools and districts that partner with an accredited college or university in addition to postsecondary institutions identified in subdivision 3, paragraph (a). Grant recipients under this paragraph must annually report to the commissioner in a form and manner determined by the commissioner on the participation rates of students in courses under this paragraph, including the number of students who apply for admission to colleges or universities with teacher preparation programs and the number of students of color and American Indian students who earned postsecondary credit. Grant recipients must also describe recruiting efforts intended to ensure that the percentage of participating students who are of color or American Indian meets or exceeds the overall percentage of students of color or American Indian students in the school.

Sec. 49. Minnesota Statutes 2020, section 124D.09, subdivision 12, is amended to read:

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

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

(c) A school board must adopt a policy regarding weighted grade point averages for any high school or dual enrollment course. A school board must adopt an identical policy regarding weighted grade point averages for credits earned via postsecondary coursework as for credits earned via concurrent enrollment coursework. The policy must state whether the district offers weighted grades. A school board must annually publish on its website a list of courses for which a student may earn a weighted grade.

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

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

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

at a MnSCU institution when the pupil enrolls in a MnSCU institution after leaving secondary school. Once one MnSCU institution certifies as completed a secondary student's postsecondary course or program that is part or all of a goal area or a transfer curriculum, every MnSCU institution must consider the student's course or program for that goal area or the transfer curriculum as completed.

Sec. 50. Minnesota Statutes 2020, section 124D.09, subdivision 13, is amended to read:

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

The department must not make payments to a school district or postsecondary institution for a course taken for postsecondary credit only. The department must not make payments to a postsecondary institution for a course from which a student officially withdraws during the first ~~44~~ ten business days of the postsecondary institution's quarter or semester or who has been absent from the postsecondary institution for the first ~~45 consecutive school~~ ten business days of the postsecondary institution's quarter or semester and is not receiving instruction in the home or hospital.

A postsecondary institution shall receive the following:

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

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

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

Sec. 51. Minnesota Statutes 2020, section 124D.128, subdivision 1, is amended to read:

Subdivision 1. **Program established.** A learning year program provides instruction throughout the year on an extended year calendar, extended school day calendar, or both. ~~A pupil may participate in the program and accelerate attainment of grade level requirements or graduation requirements.~~ A learning year program may begin after the close of the regular school year in June. The program may be for students in one or more grade levels from kindergarten through grade 12.

Sec. 52. Minnesota Statutes 2020, section 124D.2211, is amended to read:

124D.2211 AFTER-SCHOOL COMMUNITY LEARNING PROGRAMS.

Subdivision 1. **Establishment.** A competitive statewide after-school community learning grant program is established to provide grants to ~~community or nonprofit organizations, political subdivisions, for-profit or nonprofit child care centers, or school-based programs that serve youth after school or during nonschool hours~~ organizations that offer academic and enrichment activities for elementary and secondary school students during nonschool hours. Grants must be used to offer a broad array of enrichment activities that promote positive after-school activities, including art, music, community engagement, literacy, science, technology, engineering, math, health, and recreation programs. The commissioner ~~shall~~ must develop criteria for after-school community learning programs. The commissioner may award grants under this section to community or nonprofit organizations, Minnesota Tribal governments, political subdivisions, public libraries, for-profit or nonprofit child care centers, or school-based programs that serve youth after school or during nonschool hours.

Subd. 2. ~~Program outcomes~~ **Objectives.** The ~~expected outcomes~~ objectives of the after-school community learning programs are to ~~increase~~:

- ~~(1) school connectedness of participants;~~
- ~~(2) academic achievement of participating students in one or more core academic areas;~~
- ~~(3) the capacity of participants to become productive adults; and~~
- ~~(4) prevent truancy from school and prevent juvenile crime.~~

(1) increase access to protective factors that build young people's capacity to become productive adults, such as through connections to a caring adult in order to promote healthy behavior, attitudes, and relationships;

(2) develop skills and behaviors necessary to succeed in postsecondary education or career opportunities;

(3) encourage school attendance and improve academic performance in accordance with the state's world's best workforce goals under section 120B.11; and

(4) expand program access in underserved communities.

Subd. 3. **Grants.** (a) An applicant ~~shall~~ must submit an after-school community learning program proposal to the commissioner. The submitted ~~plan~~ proposal must include:

- (1) collaboration with and leverage of existing community resources that have demonstrated effectiveness;
- (2) outreach to children and youth; ~~and~~
- ~~(3) involvement of local governments, including park and recreation boards or schools, unless no government agency is appropriate.~~

~~Proposals will be reviewed and approved by the commissioner.~~

(3) an explanation of how the proposal will support the objectives identified in subdivision 2; and

(4) a plan to implement effective after-school practices and provide staff access to professional development opportunities.

(b) The commissioner must review proposals and award grants to programs that:

- (1) primarily serve low-income and underserved students; and
- (2) provide opportunities for academic enrichment, and a broad array of additional services and activities to meet program objectives.

(c) To the extent practicable, the commissioner must award grants equitably among the geographic areas of Minnesota, including rural, suburban, and urban communities.

(d) The commissioner must award grants without giving preference to any particular grade of students served by an applicant program.

Subd. 4. Technical assistance and continuous improvement. (a) The commissioner must monitor and evaluate the performance of grant recipients to assess the effectiveness of after-school community learning programs in meeting the objectives identified in subdivision 2.

(b) The commissioner must contract with a nonprofit organization serving as the statewide after-school network to provide capacity building, professional development, and continuous program improvement supports to grant recipients, including guidance on effective practices for after-school programs.

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

Sec. 53. Minnesota Statutes 2020, section 124D.74, subdivision 1, is amended to read:

Subdivision 1. **Program described.** American Indian education programs are programs in public elementary and secondary schools, nonsectarian nonpublic, community, Tribal, charter, or alternative schools enrolling American Indian children designed to:

- (1) support postsecondary preparation for American Indian pupils;
- (2) support the academic achievement of American Indian ~~students~~ pupils;
- (3) make the curriculum relevant to the needs, interests, and cultural heritage of American Indian pupils;
- (4) provide positive reinforcement of the self-image of American Indian pupils;
- (5) develop intercultural awareness among pupils, parents, and staff; and
- (6) supplement, not supplant, state and federal educational and cocurricular programs.

Program services designed to increase completion and graduation rates of American Indian students must emphasize academic achievement, retention, and attendance; development of support services for staff, including in-service training and technical assistance in methods of teaching American Indian pupils; research projects, including innovative teaching approaches and evaluation of methods of relating to American Indian pupils; provision of career counseling to American Indian pupils; modification of curriculum, instructional methods, and administrative procedures to meet the needs of American Indian pupils; and ~~supplemental~~ instruction in American Indian language, literature, history, and culture. Districts offering programs may make contracts for the provision of program services by establishing cooperative liaisons with Tribal programs and American Indian social service agencies. These programs may also be provided as components of early childhood and family education programs.

Sec. 54. Minnesota Statutes 2020, section 124D.74, subdivision 3, is amended to read:

Subd. 3. **Enrollment of other children; shared time enrollment.** ~~To the extent it is economically feasible that~~ the unique educational and culturally related academic needs of American Indian people are met and American Indian student accountability factors are the same or higher than their non-American Indian peers, a district or participating school may make provision for the voluntary enrollment of non-American Indian children in the instructional components of an American Indian education program in order that they may acquire an understanding of the cultural heritage of the American Indian children for whom that particular program is designed. However, in determining eligibility to participate in a program, priority must be given to American Indian children. American Indian children ~~and other children~~ enrolled in an existing nonpublic school system may be enrolled on a shared time basis in American Indian education programs.

Sec. 55. Minnesota Statutes 2020, section 124D.74, subdivision 4, is amended to read:

Subd. 4. **Location of programs.** American Indian education programs must be located in ~~facilities~~ educational settings in which regular classes in a variety of subjects are offered on a daily basis, including district schools, charter schools, and Tribal contract schools that offer virtual learning environments. Programs may operate on an extended day or extended year basis.

Sec. 56. Minnesota Statutes 2020, section 124D.74, is amended by adding a subdivision to read:

Subd. 7. **American Indian culture and language classes.** Any district or participating school that conducts American Indian education programs pursuant to sections 124D.71 to 124D.82 and serves 100 or more state-identified American Indian students enrolled in the district must provide American Indian culture and language classes.

Sec. 57. Minnesota Statutes 2020, section 124D.76, is amended to read:

124D.76 COMMUNITY COORDINATORS, INDIAN HOME/SCHOOL LIAISONS AMERICAN INDIAN EDUCATION PROGRAM COORDINATORS, PARAPROFESSIONALS.

In addition to employing American Indian language and culture education teachers, each district or participating school providing programs pursuant to sections 124D.71 to 124D.82 may employ paraprofessionals. Paraprofessionals must not be employed for the purpose of supplanting American Indian language and culture education teachers.

Any district or participating school ~~which that~~ conducts American Indian education programs pursuant to sections 124D.71 to 124D.82 must employ one or more full-time or part-time ~~community coordinators or Indian home/school liaisons if there are~~ dedicated American Indian education program coordinators in a district with 100 or more state-identified American Indian students enrolled in the district. ~~Community coordinators shall~~ A dedicated American Indian education program coordinator must promote communication, understanding, and cooperation between the schools and the community and ~~shall~~ must visit the homes of children who are to be enrolled in an American Indian education program in order to convey information about the program.

Sec. 58. Minnesota Statutes 2020, section 124D.78, is amended to read:

124D.78 PARENT AND COMMUNITY PARTICIPATION.

Subdivision 1. **Parent committee.** ~~School districts, charter schools, Tribal contract schools, and their respective school boards and American Indian schools~~ must provide for the maximum involvement of parents of American Indian children enrolled in American Indian education programs, programs for elementary and secondary grades, special education programs, and support services. Accordingly, ~~the board of a school district~~ districts, charter schools, and Tribal contract schools in which there are ten or more state-identified American Indian students enrolled ~~and each American Indian school~~ must establish an American Indian ~~education~~ Parent Advisory Committee. If a committee whose membership consists of a majority of parents of American Indian children has been or is established according to federal, tribal, or other state law, that committee may serve as the committee required by this section and is subject to, at least, the requirements of this subdivision and subdivision 2.

The American Indian ~~education~~ Parent Advisory Committee must develop its recommendations in consultation with the curriculum advisory committee required by section 120B.11, subdivision 3. This committee must afford parents the necessary information and the opportunity effectively to express their views concerning all aspects of American Indian education and the educational needs of the American Indian children enrolled in the school or program. ~~The school board or American Indian school~~ Districts, charter schools, and Tribal contract schools must ensure that programs are planned, operated, and evaluated with the involvement of and in consultation with parents of the American Indian students served by the programs.

Subd. 2. **Resolution of concurrence Annual compliance.** Prior to March 1 of each year, the school board or American Indian school must submit to the department a copy of a resolution adopted by the American Indian education Parent Advisory Committee. ~~The copy must be signed by the chair of the committee and must state whether the committee concurs with the educational programs for American Indian students offered by the school board or American Indian school. If the committee does not concur with the educational programs, the reasons for nonconcurrence and recommendations shall be submitted directly to the school board with the resolution. By resolution, the board must respond in writing within 60 days, in cases of nonconcurrence, to each recommendation made by the committee and state its reasons for not implementing the recommendations. must meet to discuss whether or not they concur with the educational offerings that have been extended by the district to American Indian students. If the committee finds that the district, charter school, Tribal contract school, and the school board have been meeting the needs of American Indian students, the committee must issue a vote and resolution of concurrence. If the committee finds that the needs of American Indian students are not being met, the committee must issue a vote and resolution of nonconcurrence. The vote and resolution must be presented to the school board by one or more members of the American Indian Parent Advisory Committee. The vote must be formally reflected on documentation provided by the Department of Education and must be submitted annually on March 1. If the vote is one of nonconcurrence, the committee must provide written recommendations for improvement to the school board at the time of the presentation. In the case of nonconcurrence, the school board is given 60 days in which to respond, in writing, to the committee's recommendations. The board response must be signed by the entire school board and submitted to both the American Indian Parent Advisory Committee and to the Department of Education.~~

Subd. 3. **Membership.** The American Indian ~~education~~ Parent Advisory Committee must be composed of parents or guardians of American Indian children eligible to be enrolled in American Indian education programs; American Indian secondary students ~~eligible to be served~~; American Indian family members of students eligible to be enrolled in American Indian education programs; American Indian language and culture education teachers and paraprofessionals; American Indian teachers; American Indian district employees; American Indian counselors; adult American Indian people enrolled in educational programs; and ~~representatives from community groups~~ American Indian community members. A The majority of each committee must be parents or guardians of American Indian children enrolled or eligible to be enrolled in the programs. ~~The number of parents of American Indian and non-American Indian children shall reflect approximately the proportion of children of those groups enrolled in the programs.~~

Subd. 4. **Alternate committee.** If the organizational membership or the board of directors of ~~an American Indian~~ a Tribal contract school consists of parents of children attending the school, that membership or board may serve also as the American Indian ~~education~~ Parent Advisory Committee.

Subd. 5. **State-identified American Indian.** For the purposes of sections 124D.71 to 124D.82, students who identify as American Indian or Alaska Native, using the state definition in effect on October 1 of the previous school year, will be used to determine the state-identified American Indian student counts for districts, charter schools, and Tribal contract schools for the subsequent school year.

Sec. 59. Minnesota Statutes 2020, section 124D.791, subdivision 4, is amended to read:

Subd. 4. **Duties; powers.** The American Indian education director shall:

(1) ~~serve as the liaison for the department~~ work collaboratively and in conjunction with the Tribal Liaison, the Tribal Nations Education Committee, the 11 Tribal ~~communities~~ Nations in Minnesota, the Minnesota Chippewa Tribe, and the Minnesota Indian Affairs Council;

(2) evaluate the state of American Indian education in Minnesota;

(3) engage the tribal bodies, community groups, parents of children eligible to be served by American Indian education programs, American Indian administrators and teachers, persons experienced in the training of teachers for American Indian education programs, the tribally controlled schools, and other persons knowledgeable in the field of American Indian education and seek their advice on policies that can improve the quality of American Indian education;

(4) advise the commissioner on American Indian education issues, including:

(i) issues facing American Indian students;

(ii) policies for American Indian education;

(iii) awarding scholarships to eligible American Indian students and in administering the commissioner's duties regarding awarding of American Indian education grants to school districts; and

(iv) administration of the commissioner's duties under sections 124D.71 to 124D.82 and other programs for the education of American Indian people;

(5) propose to the commissioner legislative changes that will improve the quality of American Indian education;

(6) develop a strategic plan and a long-term framework for American Indian education, in conjunction with the Minnesota Indian Affairs Council, that is updated every five years and implemented by the commissioner, with goals to:

(i) increase American Indian student achievement, including increased levels of proficiency and growth on statewide accountability assessments;

(ii) increase the number of American Indian teachers in public schools;

(iii) close the achievement gap between American Indian students and their more advantaged peers;

(iv) increase the statewide graduation rate for American Indian students; and

(v) increase American Indian student placement in postsecondary programs and the workforce; and

(7) keep the American Indian community informed about the work of the department by reporting to the Tribal Nations Education Committee at each committee meeting.

Sec. 60. **[124D.792] GRADUATION CEREMONIES; TRIBAL REGALIA AND OBJECTS OF CULTURAL SIGNIFICANCE.**

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

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

Sec. 61. Minnesota Statutes 2020, section 124D.81, subdivision 1, is amended to read:

Subdivision 1. **Procedures.** A school district, charter school, or American Indian-controlled Tribal contract or grant school enrolling at least 20 American Indian students identified by the state count on October 1 of the previous school year ~~and operating an American Indian education program according to section 124D.74~~ is eligible for

American Indian education aid if it meets the requirements of this section. Programs may provide for contracts for the provision of program components by nonsectarian nonpublic, community, Tribal, charter, or alternative schools. The commissioner shall prescribe the form and manner of application for aids, and no aid shall be made for a program not complying with the requirements of sections 124D.71 to 124D.82.

Sec. 62. Minnesota Statutes 2020, section 124D.81, subdivision 2, is amended to read:

Subd. 2. **Plans.** To ~~qualify for~~ receive aid, an eligible district, charter school, or Tribal contract school must develop and submit a plan for approval by the Indian education director that shall:

- (a) Identify the measures to be used to meet the requirements of sections 124D.71 to 124D.82;
- (b) Identify the activities, methods and programs to meet the identified educational needs of the children to be enrolled in the program;
- (c) Describe how district goals and objectives as well as the objectives of sections 124D.71 to 124D.82 are to be achieved;
- (d) Demonstrate that required and elective courses as structured do not have a discriminatory effect within the meaning of section 124D.74, subdivision 5;
- (e) Describe how each school program will be organized, staffed, coordinated, and monitored; and
- (f) Project expenditures for programs under sections 124D.71 to 124D.82.

Sec. 63. Minnesota Statutes 2020, section 124D.81, subdivision 2a, is amended to read:

Subd. 2a. **American Indian education aid.** (a) The American Indian education aid allowance equals \$358 for fiscal years 2022 and 2023. The American Indian education aid allowance for fiscal year 2024 and later equals the product of \$358 times the ratio of the formula allowance under section 126C.10, subdivision 2, for the current fiscal year to the formula allowance under section 126C.10, subdivision 2, for fiscal year 2023.

(b) The American Indian education aid minimum equals \$20,000 for fiscal years 2022. The American Indian education aid minimum equals \$40,000 for fiscal year 2023. The American Indian education aid minimum for fiscal year 2024 and later equals the product of \$40,000 times the ratio of the formula allowance under section 126C.10, subdivision 2, for the current fiscal year to the formula allowance under section 126C.10, subdivision 2, for fiscal year 2023.

~~(a)~~ (c) The American Indian education aid for an eligible district, charter school, or Tribal contract school equals the greater of (1) the sum of ~~\$20,000~~ the American Indian education aid minimum plus the product of ~~\$358~~ the American Indian education aid allowance times the difference between the number of American Indian students enrolled on October 1 of the previous school year and 20; or (2) if the district or school received a grant under this section for fiscal year 2015, the amount of the grant for fiscal year 2015.

~~(b)~~ (d) Notwithstanding paragraph ~~(a)~~ (c), the American Indian education aid must not exceed the district, charter school, or Tribal contract school's actual expenditure according to the approved plan under subdivision 2.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2023 and later.

Sec. 64. Minnesota Statutes 2020, section 124D.81, subdivision 5, is amended to read:

Subd. 5. **Records.** Participating schools and districts must keep records and afford access to them as the commissioner finds necessary to ensure that American Indian education programs are implemented in conformity with sections 124D.71 to 124D.82. Each school district or participating school must keep accurate, detailed, and separate revenue and expenditure accounts for ~~pilot~~ American Indian education programs funded under this section.

Sec. 65. Minnesota Statutes 2020, section 124D.83, subdivision 2, is amended to read:

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

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

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

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

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

(5) multiplying the sum of the resident pupil units, including section 126C.05, subdivision 13, in average daily membership plus the tribal contract compensation revenue pupil units by the lesser of ~~\$3,230 for fiscal year 2019~~ and 51.17 percent of the formula allowance for fiscal year years 2020, 2021, and 2022, and 52 percent of the formula allowance for fiscal year 2023 and later or the result in clause (4).

EFFECTIVE DATE. This section is effective for state aid for fiscal year 2023 and later.

Sec. 66. Minnesota Statutes 2020, section 124D.861, subdivision 2, is amended to read:

Subd. 2. **Plan implementation; components.** (a) The school board of each eligible district must formally develop and implement a long-term plan under this section. The plan must be incorporated into the district's comprehensive strategic plan under section 120B.11. ~~Plan components may include: innovative and integrated prekindergarten through grade 12 learning environments that offer students school enrollment choices; family engagement initiatives that involve families in their students' academic life and success; professional development opportunities for teachers and administrators focused on improving the academic achievement of all students, including teachers and administrators who are members of populations underrepresented among the licensed teachers or administrators in the district or school and who reflect the diversity of students under section 120B.35, subdivision 3, paragraph (b), clause (2), who are enrolled in the district or school; increased programmatic~~

~~opportunities and effective and more diverse instructors focused on rigor and college and career readiness for underserved students, including students enrolled in alternative learning centers under section 123A.05, public alternative programs under section 126C.05, subdivision 15, and contract alternative programs under section 124D.69, among other underserved students; or recruitment and retention of teachers and administrators with diverse racial and ethnic backgrounds.~~

(b) The plan must contain goals for:

(1) reducing the disparities in academic achievement and in equitable access to effective and more diverse teachers among all students and specific categories of students under section 120B.35, subdivision 3, paragraph (b), excluding the student categories of gender, disability, and English learners; and

(2) increasing racial and economic diversity and integration in schools and districts.

(c) The plan must include strategies to validate, affirm, embrace, and integrate cultural and community strengths of all students, families, and employees in the district's curriculum as well as learning and work environments. The plan must address issues of institutional racism as defined in section 120B.11, subdivision 1, in schools that create opportunity and achievement gaps for students, families, and staff who are of color or who are American Indian. Examples of institutional racism experienced by students who are of color or who are American Indian include policies and practices that intentionally or unintentionally result in disparate discipline referrals and suspension, inequitable access to advanced coursework, overrepresentation in lower-level coursework, inequitable participation in cocurricular activities, inequitable parent involvement, and lack of equitable access to racially and ethnically diverse teachers who reflect the racial or ethnic diversity of students because it has not been a priority to hire or retain such teachers.

(d) School districts must use local data, to the extent practicable, to develop plan components and strategies. Plans may include:

(1) innovative and integrated prekindergarten through grade 12 learning environments that offer students school enrollment choices;

(2) family engagement initiatives that involve families in their students' academic life and success and improve relations between home and school;

(3) opportunities for students, families, staff, and community members who are of color or American Indian to share their experiences in the school setting with school staff and administration and to inform the development of specific proposals for making school environments more validating, affirming, embracing, and integrating of their cultural and community strengths;

(4) professional development opportunities for teachers and administrators focused on improving the academic achievement of all students, including knowledge, skills, and dispositions needed to be antiracist and culturally sustaining as defined in section 120B.11, subdivision 1, for serving students who are from racially and ethnically diverse backgrounds;

(5) recruitment and retention of teachers, administrators, cultural and family liaisons, paraprofessionals, and other staff from racial, ethnic, and linguistic backgrounds represented in the student population to strengthen relationships with all students, families, and other members of the community;

(6) collection, examination, and evaluation of academic and discipline data for institutional racism as defined in section 120B.11, subdivision 1, in structures, policies, and practices that result in the education disparities, in order to propose antiracist changes as defined in section 120B.11, subdivision 1, that increase access, meaningful participation, representation, and positive outcomes for students of color and American Indian students;

(7) increased programmatic opportunities and effective and more diverse instructors focused on rigor and college and career readiness for students who are impacted by racial, gender, linguistic, and economic disparities, including students enrolled in area learning centers or alternative learning programs under section 123A.05, state-approved alternative programs under section 126C.05, subdivision 15, and contract alternative programs under section 124D.69, among other underserved students;

(8) ethnic studies curriculum as defined in section 120B.11, subdivision 1, to provide all students with opportunities to learn about their own and others' cultures and historical experiences; or

(9) examination and revision of district curricula in all subjects to be inclusive of diverse racial and ethnic groups while meeting state academic standards and being culturally sustaining as defined in section 120B.11, subdivision 1, ensuring content being studied about any group is accurate and based in knowledge from that group.

~~(b)~~ (e) Among other requirements, an eligible district must implement effective, research-based interventions that include formative multiple measures of assessment practices and engagement in order to reduce the eliminate academic disparities in student academic performance among the specific categories of students as measured by student progress and growth on state reading and math assessments and for students impacted by racial, gender, linguistic, and economic inequities as aligned with section 120B.11.

~~(c)~~ (f) Eligible districts must create efficiencies and eliminate duplicative programs and services under this section, which may include forming collaborations or a single, seven-county metropolitan areawide partnership of eligible districts for this purpose.

EFFECTIVE DATE. This section is effective for all plans reviewed and updated after the day following final enactment.

Sec. 67. Minnesota Statutes 2020, section 124D.98, is amended by adding a subdivision to read:

Subd. 5. Literacy incentive aid uses. Beginning July 1, 2022, literacy incentive aid must be used to support comprehensive literacy reform efforts in public schools as follows:

(1) for public school prekindergarten through grade 3 teachers and support staff to be trained in the science of reading using a training program approved by the Department of Education no later than July 1, 2027, unless the commissioner of education grants an extension;

(2) to hire a licensed reading and dyslexia specialist who is trained in the science of reading as determined by the commissioner of education and oversees a school district's or charter school's implementation of required components under section 120B.12 no later than July 1, 2027, unless the commissioner of education grants an extension;

(3) for the most underperforming schools, defined as those at 25 percent or below proficiency on grade 3 reading on the Minnesota Comprehensive Assessments, to hire literacy coaches trained in the science of reading to support teachers and multitiered systems of support implementation; and

(4) to provide materials, training, and ongoing coaching to ensure alternate instruction under section 125A.56, subdivision 1, is based in the science of reading.

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

Sec. 68. Minnesota Statutes 2020, section 125A.094, is amended to read:

125A.094 RESTRICTIVE PROCEDURES FOR CHILDREN WITH DISABILITIES.

The use of restrictive procedures ~~for children with disabilities~~ for all pupils attending public school is governed by sections 125A.0941 and 125A.0942.

Sec. 69. Minnesota Statutes 2020, section 125A.0942, subdivision 1, is amended to read:

Subdivision 1. **Restrictive procedures plan.** (a) Schools that intend to use restrictive procedures shall maintain and make publicly accessible in an electronic format on a school or district website or make a paper copy available upon request describing a restrictive procedures plan for children with disabilities that at least:

(1) lists the restrictive procedures the school intends to use;

(2) describes how the school will implement a range of positive behavior strategies and provide links to mental health services;

(3) describes how the school will provide training on de-escalation techniques, consistent with section 122A.187, subdivision 4;

(4) describes how the school will monitor and review the use of restrictive procedures, including:

(i) conducting post-use debriefings, consistent with subdivision 3, paragraph (a), clause (5); and

(ii) convening an oversight committee to undertake a quarterly review of the use of restrictive procedures based on patterns or problems indicated by similarities in the time of day, day of the week, duration of the use of a procedure, the individuals involved, or other factors associated with the use of restrictive procedures; the number of times a restrictive procedure is used schoolwide and for individual children; the number and types of injuries, if any, resulting from the use of restrictive procedures; whether restrictive procedures are used in nonemergency situations; the need for additional staff training; the use of restrictive procedures for disproportionality, racial disparities, in the usage of restrictive procedures; the usage of school resource officer's handling of the behaviors; student documentation to determine if the staff followed the standards for using restrictive procedures and if there is updated information about whether the restrictive procedures are contraindicated for the particular student; and proposed actions to minimize the use of restrictive procedures; and

(5) includes a written description and documentation of the training staff completed under subdivision 5.

(b) Schools annually must publicly identify oversight committee members who must at least include:

(1) a mental health professional, school psychologist, or school social worker;

(2) an expert in positive behavior strategies;

(3) a special education administrator; and

(4) a general education administrator.

Sec. 70. Minnesota Statutes 2020, section 125A.0942, subdivision 2, is amended to read:

Subd. 2. **Restrictive procedures.** (a) Restrictive procedures may be used only by a licensed special education teacher, school social worker, school psychologist, behavior analyst certified by the National Behavior Analyst Certification Board, a person with a master's degree in behavior analysis, other licensed education professional, paraprofessional under section 120B.363, or mental health professional under section 245.4871, subdivision 27, who has completed the training program under subdivision 5.

(b) A school shall make reasonable efforts to notify the parent on the same day a restrictive procedure is used on the child, or if the school is unable to provide same-day notice, notice is sent within two days by written or electronic means or as otherwise indicated by the child's parent under paragraph (f).

(c) The district must hold a meeting of the individualized education program team, if the student is a student with a disability, or a meeting of relevant members of the student's team, including the parent, if the student is not a student with a disability, conduct or review a functional behavioral analysis, review data, consider developing additional or revised positive behavioral interventions and supports, consider actions to reduce the use of restrictive procedures, and modify the individualized education program or behavior intervention plan as appropriate. The district must hold the meeting: within ten calendar days after district staff use restrictive procedures on two separate school days within 30 calendar days or a pattern of use emerges and the child's individualized education program or behavior intervention plan does not provide for using restrictive procedures in an emergency; or at the request of a parent or the district after restrictive procedures are used. The district must review use of restrictive procedures at a child's annual individualized education program meeting when the child's individualized education program provides for using restrictive procedures in an emergency.

(d) If the ~~individualized education program~~ meeting team under paragraph (c) determines that existing interventions and supports are ineffective in reducing the use of restrictive procedures or the district uses restrictive procedures on a child on ten or more school days during the same school year, the team, as appropriate, either must consult with other professionals working with the child; consult with experts in behavior analysis, mental health, communication, or autism; consult with culturally competent professionals; review existing evaluations, resources, and successful strategies; or consider whether to reevaluate the child.

(e) At the ~~individualized education program~~ meeting under paragraph (c), the team must review any known medical or psychological limitations, including any medical information the parent provides voluntarily, that contraindicate the use of a restrictive procedure, consider whether to prohibit that restrictive procedure, and document any prohibition in the individualized education program or behavior intervention plan.

(f) An individualized education program team may plan for using restrictive procedures and may include these procedures in a child's individualized education program or behavior intervention plan; however, the restrictive procedures may be used only in response to behavior that constitutes an emergency, consistent with this section. The individualized education program or behavior intervention plan shall indicate how the parent wants to be notified when a restrictive procedure is used.

Sec. 71. Minnesota Statutes 2020, section 125A.0942, subdivision 3, is amended to read:

Subd. 3. **Physical holding or seclusion.** (a) Physical holding or seclusion may be used only in an emergency. A school that uses physical holding or seclusion shall meet the following requirements:

- (1) physical holding or seclusion is the least intrusive intervention that effectively responds to the emergency;
- (2) physical holding or seclusion is not used to discipline a noncompliant child;

(3) physical holding or seclusion ends when the threat of harm ends and the staff determines the child can safely return to the classroom or activity;

(4) staff directly observes the child while physical holding or seclusion is being used;

(5) each time physical holding or seclusion is used, the staff person who implements or oversees the physical holding or seclusion documents, as soon as possible after the incident concludes, the following information:

(i) a description of the incident that led to the physical holding or seclusion;

(ii) why a less restrictive measure failed or was determined by staff to be inappropriate or impractical;

(iii) the time the physical holding or seclusion began and the time the child was released; ~~and~~

(iv) a brief record of the child's behavioral and physical status; and

(v) a brief description of the post-use debriefing process that occurred following the use of the restrictive procedure;

(6) the room used for seclusion must:

(i) be at least six feet by five feet;

(ii) be well lit, well ventilated, adequately heated, and clean;

(iii) have a window that allows staff to directly observe a child in seclusion;

(iv) have tamperproof fixtures, electrical switches located immediately outside the door, and secure ceilings;

(v) have doors that open out and are unlocked, locked with keyless locks that have immediate release mechanisms, or locked with locks that have immediate release mechanisms connected with a fire and emergency system; and

(vi) not contain objects that a child may use to injure the child or others; and

(7) before using a room for seclusion, a school must:

(i) receive written notice from local authorities that the room and the locking mechanisms comply with applicable building, fire, and safety codes; and

(ii) register the room with the commissioner, who may view that room.

(b) By February 1, 2015, and annually thereafter, stakeholders may, as necessary, recommend to the commissioner specific and measurable implementation and outcome goals for reducing the use of restrictive procedures and the commissioner must submit to the legislature a report on districts' progress in reducing the use of restrictive procedures that recommends how to further reduce these procedures and eliminate the use of seclusion. The statewide plan includes the following components: measurable goals; the resources, training, technical assistance, mental health services, and collaborative efforts needed to significantly reduce districts' use of seclusion; and recommendations to clarify and improve the law governing districts' use of restrictive procedures. The commissioner must consult with interested stakeholders when preparing the report, including representatives of

advocacy organizations, special education directors, teachers, paraprofessionals, intermediate school districts, school boards, day treatment providers, county social services, state human services department staff, mental health professionals, and autism experts. Beginning with the 2016-2017 school year, in a form and manner determined by the commissioner, districts must report data quarterly to the department by January 15, April 15, July 15, and October 15 about individual students who have been secluded. By July 15 each year, districts must report summary data on their use of restrictive procedures to the department for the prior school year, July 1 through June 30, in a form and manner determined by the commissioner. The summary data must include information about the use of restrictive procedures, including use of reasonable force under section 121A.582.

Sec. 72. Minnesota Statutes 2020, section 144.4165, is amended to read:

144.4165 TOBACCO PRODUCTS PROHIBITED IN PUBLIC SCHOOLS.

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

(b) Nothing in this section shall prohibit the lighting of tobacco by an adult as a part of a traditional Indian spiritual or cultural ceremony. An American Indian student may carry a medicine pouch containing loose tobacco intended in observance of traditional spiritual or cultural practices. For purposes of this section, an American Indian is a person ~~who is a member of an Indian tribe as defined in section 260.755, subdivision 12~~ having origins in any of the original peoples of North America who maintain cultural identification through Tribal affiliation or community recognition.

Sec. 73. Laws 2021, First Special Session chapter 13, article 2, section 4, subdivision 2, is amended to read:

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

\$ 84,057,000 <u>80,310,000</u>	.....	2022
\$ 83,431,000 <u>82,750,000</u>	.....	2023

The 2022 appropriation includes \$8,868,000 for 2021 and ~~\$75,189,000~~ \$71,442,000 for 2022.

The 2023 appropriation includes ~~\$8,353,000~~ \$7,938,000 for 2022 and ~~\$75,078,000~~ \$74,812,000 for 2023.

Sec. 74. Laws 2021, First Special Session chapter 13, article 2, section 4, subdivision 3, is amended to read:

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

\$ 11,351,000 <u>11,436,000</u>	.....	2022
\$ 11,775,000 <u>15,009,000</u>	.....	2023

The 2022 appropriation includes \$1,102,000 for 2021 and ~~\$10,249,000~~ \$10,334,000 for 2022.

The 2023 appropriation includes ~~\$1,138,000~~ \$1,148,000 for 2022 and ~~\$10,637,000~~ \$13,861,000 for 2023.

Sec. 75. Laws 2021, First Special Session chapter 13, article 2, section 4, subdivision 4, is amended to read:

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

\$ 93,547,000 <u>89,499,000</u>	.....	2022
\$ 99,819,000 <u>96,340,000</u>	.....	2023

The 2022 appropriation includes \$8,617,000 for 2021 and ~~\$84,930,000~~ \$80,882,000 for 2022.

The 2023 appropriation includes ~~\$9,436,000~~ 8,987,000 for 2022 and ~~\$90,383,000~~ \$87,353,000 for 2023.

Sec. 76. Laws 2021, First Special Session chapter 13, article 2, section 4, subdivision 7, is amended to read:

Subd. 7. **Concurrent enrollment aid.** (a) For concurrent enrollment aid under Minnesota Statutes, section 124D.091:

\$4,000,000	.....	2022
\$ 4,000,000 <u>9,000,000</u>	.....	2023

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

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

(d) The base for fiscal year 2024 is \$8,000,000. The base for fiscal year 2025 is \$9,000,000.

Sec. 77. Laws 2021, First Special Session chapter 13, article 2, section 4, subdivision 15, is amended to read:

Subd. 15. **Minnesota math corps program.** (a) For the Minnesota math corps program under Minnesota Statutes, section 124D.42, subdivision 9:

\$1,000,000	.....	2022
\$1,000,000	.....	2023

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

(c) The base for fiscal year 2024 and later is ~~\$500,000~~ \$1,000,000.

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

Sec. 78. Laws 2021, First Special Session chapter 13, article 2, section 4, subdivision 22, is amended to read:

Subd. 22. **Sanneh Foundation.** (a) For grants to the Sanneh Foundation for purposes of paragraph (b):

\$1,500,000	.....	2022
\$ 1,500,000 <u>850,000</u>	.....	2023

(b) The grants to the Sanneh Foundation must be directed toward programs for low-performing and chronically absent students with a focus on low-income students and students of color. The goals of the grants include decreasing absenteeism, encouraging school engagement, improving grades, and improving graduation rates. The grants may be used to:

(1) provide all-day, in-school academic and behavioral interventions and social and emotional learning throughout the school year;

(2) provide year-round, out-of-school behavioral, social, and emotional learning interventions and enrichment activities;

(3) enhance career exploration opportunities, including exposure to businesses and business activities; and

(4) develop pathways in cooperation with businesses or higher education partners for participants to pursue careers in education and youth development.

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

(d) The base for fiscal year 2024 is \$0.

Sec. 79. Laws 2021, First Special Session chapter 13, article 2, section 4, subdivision 27, is amended to read:

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

\$ 2,743,000 <u>2,808,000</u>	. . . . .	2022
\$ 3,160,000 <u>3,253,000</u>	. . . . .	2023

The 2022 appropriation includes \$240,000 for 2021 and ~~\$2,503,000~~ \$2,568,000 for 2022.

The 2023 appropriation includes ~~\$278,000~~ \$285,000 for 2022 and ~~\$2,882,000~~ \$2,968,000 for 2023.

Sec. 80. **NATIONAL AND INTERNATIONAL EDUCATION COMPARISONS.**

Each public district and school selected to participate in the national assessment of educational progress shall do so pursuant to United States Code, title 20, section 6312(c)(2), as in effect on December 10, 2015, or similar national or international assessments, both for the national sample and for any state-by-state comparison programs that may be initiated, as directed by the commissioner. The assessments must be conducted using the data collection procedures, student surveys, educator surveys, and other instruments included in the National Assessment of Educational Progress or similar national or international assessments being administered in Minnesota. The administration of such assessments shall be in addition to and separate from the administration of the statewide, standardized assessments.

Sec. 81. **ETHNIC STUDIES TASK FORCE.**

Subdivision 1. **Task force established.** (a) The Ethnic Studies Task Force is established to advise the commissioner of education on ethnic studies standards, curriculum, and resources necessary to implement ethnic studies requirements under Minnesota Statutes, section 120B.0251. The commissioner must appoint members of the task force by July 1, 2022, with input from the Minnesota Ethnic Studies Coalition.

(b) The Ethnic Studies Task Force must have 25 members, as follows:

(1) five community members with a demonstrated commitment to ethnic studies;

(2) three public school students in grades 9 to 12;

(3) two public school students in grades 6 to 8;

(4) three parents or guardians of public kindergarten through grade 12 students;

(5) three Minnesota-based, college-level faculty experts in ethnic studies;

(6) three ethnic studies high school teachers;

(7) three ethnic studies grades 6 to 8 teachers; and

(8) three ethnic studies kindergarten to grade 5 teachers.

(c) Demographics of the task force must be inclusive and represent the diversity of the state, including racial, ethnic, and geographic diversity, and diversity related to gender and sexual orientation, immigrant status, and religious and linguistic background.

Subd. 2. **Duties.** (a) The task force must review available ethnic studies curricular and instructional resources in order to:

(1) develop state ethnic studies standards to propose to the commissioner for adoption;

(2) recommend professional learning requirements for educators and staff to facilitate the successful implementation of ethnic studies courses;

(3) recommend resources and materials school districts and charter schools may use to implement ethnic studies standards; and

(4) identify or develop model ethnic studies curriculum that school districts and charter schools may use in accordance with section 120B.0251.

(b) The task force must provide to the commissioner of education the ethnic studies standards and recommendations by October 31, 2023, and the model ethnic studies curriculum by July 1, 2024.

Subd. 4. **Meetings and compensation.** (a) The task force must convene on at least a bimonthly basis and must hold the first meeting no later than October 15, 2022.

(b) Members of the task force shall receive a stipend of \$250 per month for their time, work, and expertise.

Subd. 5. **Administration.** The commissioner must provide meeting space and technical assistance for the task force.

Subd. 6. **Statewide academic standards.** The commissioner must adopt the academic standards for ethnic studies curriculum developed by the task force using the expedited rulemaking process in Minnesota Statutes, section 14.389.

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

Sec. 82. **COMPUTER SCIENCE EDUCATION FOUNDATIONAL BLUEPRINT.**

Subdivision 1. **Foundational blueprint.** (a) The commissioner of education must, in consultation with the Computer Science Education Task Force established under this section, develop a foundational blueprint for a statewide computer science program for elementary and secondary schools that includes the following components:

(1) a statement of purpose that defines computer science consistent with the definition found in the K-12 Computer Science Framework, describes the objectives and goals of a computer science education program, identifies strategies and resources needed to achieve these goals, and establishes a timeline for achieving these goals;

(2) an assessment of the current state landscape for kindergarten through grade 12 computer science education, including teacher licensure and assignments, and data on enrollment in computer science courses, disaggregated by the student groups under Minnesota Statutes, section 120B.35, subdivision 3, paragraph (b), clause (2);

(3) a plan for expanding computer science education opportunities to every district school site and charter school within five years;

(4) a plan to develop comprehensive and foundational kindergarten through grade 12 computer science academic standards that local districts may adopt at their discretion under Minnesota Statutes, section 120B.022;

(5) a plan for professional development opportunities to prepare current teachers to teach computer science;

(6) a plan relating to teacher licensure, including developing a computer science endorsement or other computer science credential for teachers who are already licensed, and a plan to develop a teacher preparation program for licensure in computer science;

(7) a plan for the Department of Education to regularly evaluate progress toward the blueprint goals, including annually reporting disaggregated data on enrollment in computer science courses; and

(8) recommendations to ensure the long-term sustainability of the blueprint.

(b) The commissioner must submit a copy of the foundational blueprint for computer science to the chairs and ranking members of the legislative committees having jurisdiction over kindergarten through grade 12 education by January 31, 2023, in accordance with Minnesota Statutes, section 3.195.

Subd. 2. **Task force.** (a) The commissioner of education must convene an advisory task force, facilitated by the state computer science specialist, to advise the commissioner on the development of the foundational blueprint for computer science.

(b) Members of the task force must include:

(1) one member of the house of representatives appointed by the speaker of the house and one member appointed by the minority leader of the house of representatives;

(2) one senator appointed by the senate majority leader and one senator appointed by the senate minority leader;

(3) one member appointed by the governor;

(4) the commissioner of education or the commissioner's designee;

(5) the commissioner of higher education or the commissioner's designee;

(6) one representative of the Professional Educator Licensing and Standards Board;

(7) one representative of the Computer Science Teachers' Association MN;

(8) one representative from the business community;

(9) one representative from a nonprofit organization working with students and teachers on computer science;

(10) one representative from the Minnesota Association for School Administrators;

(11) one representative from Education Minnesota;

(12) one representative from the Minnesota Association of Colleges for Teacher Education;

(13) one representative from CSforAll Minnesota;

(14) one computer science teacher from the seven-county metropolitan area and one computer science teacher from outside the seven-county metropolitan area;

(15) a career and technical education teacher;

(16) one school administrator from the seven-county metropolitan area who oversees computer science education in a district, and one school administrator from outside the seven-county metropolitan area who oversees computer science education in a district; and

(17) one representative from the Technology Advisory Council.

(c) Appointments to the task force must be made by June 1, 2022. Appointments to the task force must represent the diverse populations within the state of Minnesota, including diversity based on race, ethnicity, gender, and disability status. The commissioner of education must provide administrative support and meeting space for the task force.

(d) Public members of the task force may be compensated and reimbursed for expenses in accordance with Minnesota Statutes, section 15.059, subdivision 3.

(e) Meetings of the task force are subject to the Minnesota Open Meeting Law under Minnesota Statutes, chapter 13D.

(f) The task force expires on January 31, 2024.

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

Sec. 83. **APPROPRIATIONS; DEPARTMENT OF EDUCATION.**

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

Subd. 2. **After-school community learning programs.** (a) For grants for after-school community learning programs in accordance with Minnesota Statutes, section 124D.2211:

\$25,000,000

.....

2023

(b) The commissioner of education may use up to four percent of the appropriation to assess the effectiveness of after-school community learning programs in accordance with Minnesota Statutes, section 124D.2211, subdivision 4, paragraph (a). The commissioner must use three percent of the appropriation to contract with the nonprofit organization serving as the statewide after-school network in accordance with Minnesota Statutes, section 124D.2211, subdivision 4, paragraph (b).

(c) This appropriation is available until June 30, 2025. The base for fiscal year 2026 and later is \$10,000,000.

Subd. 3. **BOLD literacy.** (a) For the Minnesota BOLD statewide literacy plan to increase the equitable access to effective literacy experiences for all students by ensuring school leaders and educators are trained in the science of reading; supporting effective implementation and measurement of instructional practices aligned to state standards through the multitiered systems of support framework; and utilizing data literacy to inform instruction, inform educator development, evaluate resource deployment and policy, and employ intentional family and community engagement strategies.

<u>\$0</u>	<u>.....</u>	<u>2022</u>
<u>\$4,750,000</u>	<u>.....</u>	<u>2023</u>

(b) Of this amount, \$1,750,000 is for the Department of Education to establish science of reading academies to be provided at no cost to educators who work in Minnesota school districts and charter schools to complete Language Essentials for Teachers of Reading and Spelling (LETRS) professional development. Educators who have completed LETRS may have the opportunity to become LETRS facilitators through a train-the-trainer model.

(c) Of this amount, \$800,000 is to maintain a literacy unit at the Department of Education.

(d) Of this amount, \$1,200,000 is to expand literacy and dyslexia data collection and reporting systems at the Department of Education in order to collect and analyze prekindergarten through grade 3 data, including foundational reading skills, dyslexia screening data, and screening results of multilingual learners.

(e) Of this amount, \$1,000,000 is for state library services grants to support evidence-based early literacy practices rooted in the science of reading in school and community libraries.

(f) Funds may be used for grant administration costs.

Subd. 4. **Closing educational opportunity gaps grants.** (a) To support schools in their efforts to close opportunity gaps under Minnesota Statutes, section 120B.113:

<u>\$5,000,000</u>	<u>.....</u>	<u>2023</u>
--------------------	--------------	-------------

(b) The department may retain up to five percent of this appropriation to administer the grant program.

Subd. 5. **Computer Science Advisory Task Force.** For the Computer Science Advisory Task Force:

<u>\$20,000</u>	<u>.....</u>	<u>2023</u>
-----------------	--------------	-------------

Subd. 6. **Culturally specific learning opportunities.** (a) For grants to school districts, charter schools, intermediate school districts, and cooperatives to create and offer culturally specific learning opportunities, including to form partnerships between community organizations and schools that offer critical thinking and engagement in learning. "Culturally specific learning opportunities" means programming that is culturally responsive, evidence-based, and comprehensive, and that responds to the academic and social-emotional needs of historically underserved students.

<u>\$0</u>	<u>.....</u>	<u>2022</u>
<u>\$5,000,000</u>	<u>.....</u>	<u>2023</u>

(b) Grants may be awarded in an amount up to \$200,000 per recipient.

(c) To the extent practicable, the commissioner must award grants equitably among the geographic areas of Minnesota, including rural, suburban, and urban communities.

(d) Up to five percent of this appropriation may be retained for administration costs.

Subd. 7. **Ethnic studies implementation.** (a) For requirements related to ethnic studies under Minnesota Statutes, section 120B.0251, and the Ethnic Studies Task Force under section 81:

<u>\$576,000</u>	<u>.....</u>	<u>2023</u>
------------------	--------------	-------------

(b) The base for fiscal year 2024 is \$474,000 and \$451,000 in fiscal year 2025.

Subd. 8. **Ethnic studies school grants.** (a) For competitive grants to school districts and charter schools to develop and implement ethnic studies courses:

<u>\$0</u>	<u>.....</u>	<u>2023</u>
------------	--------------	-------------

(b) The commissioner must consult with the Ethnic Studies Task Force to develop criteria for the grants.

(c) The base for fiscal year 2024 and later is \$500,000.

Subd. 9. **Expanding rigorous coursework for Black students, Indigenous students, students of color, and students in greater Minnesota.** (a) For grants to expand rigorous coursework primarily for but not limited to disadvantaged and underrepresented students and students in greater Minnesota, such as through advanced placement courses, international baccalaureate programs, career and technical education, and concurrent enrollment courses:

<u>\$0</u>	<u>.....</u>	<u>2022</u>
<u>\$5,000,000</u>	<u>.....</u>	<u>2023</u>

(b) Of this amount, \$1,800,000 is for grants to districts and charter schools for regional partnerships and statewide programs in order to support professional development and incentives for high school teachers to develop and expand course offerings approved by the state. Compensation for teachers to teach courses beyond the contract day or year is an allowable expenditure. Funds may supplement, but not replace, current state and federal program funds. Grants may be awarded in an amount up to \$50,000 per recipient.

(c) Of this amount, \$3,200,000 is for matching grants to school districts and charter schools to support rigorous course expansion and statewide career and technical education program quality improvements. The department shall provide technical support and guidance. Funds may supplement, but not replace, current state and federal program funds. Grants may be awarded in an amount up to \$100,000 per recipient.

(d) Eligible grantees include school districts, charter schools, intermediate school districts, and cooperative units as defined in Minnesota Statutes, section 123A.24, subdivision 2.

(e) The department must require an applicant for grant funds to submit a plan that describes how the applicant would use grant funds to increase participation by disadvantaged and underrepresented students in rigorous coursework. The department must consider an applicant's goals, strategies, and capacity to increase participation by disadvantaged and underrepresented students when awarding funds.

(f) At least 50 percent of the funds in this subdivision must be awarded to grant recipients in greater Minnesota.

(g) Up to five percent of this appropriation may be retained for administration costs.

Subd. 10. **Full-service community schools.** (a) For comprehensive program support for full-service community schools:

\$50,000,000 2023

(b) Of this amount, priority must be given to programs in the following order:

(1) current grant recipients issued under Minnesota Statutes, section 124D.231;

(2) schools identified as low-performing under the Federal Every Student Succeeds Act; and

(3) any other applicants.

(c) This appropriation is available until June 30, 2025. The base for fiscal year 2024 and 2025 is \$0. The base for fiscal year 2026 and later is \$20,000,000.

Subd. 11. **Minnesota Association of Alternative Programs.** (a) For a grant to the Minnesota Association of Alternative Programs STARS Chapter to help students in alternative programs develop employment, academic, and social skills and support student participation in trainings and conferences:

\$45,000 2023

(b) This appropriation is available until June 30, 2025. The base for fiscal year 2024 and later is \$0.

Subd. 12. **Minnesota Council on Economic Education.** (a) For a grant to the Minnesota Council on Economic Education:

\$150,000 2023

(b) The grant funds must be used to:

(1) provide professional development to Minnesota's kindergarten through grade 12 teachers implementing state graduation standards in learning areas related to economic education;

(2) support the direct-to-student ancillary economic and personal finance programs that Minnesota teachers supervise and coach; and

(3) provide support to affiliated higher education-based centers for economic education currently based at: (i) Minnesota State University, Mankato; (ii) Minnesota State University, Moorhead; (iii) St. Cloud State University; (iv) St. Catherine University; and (v) the University of St. Thomas as the higher education centers' work relates to the activities described in clauses (1) and (2).

(c) By February 15 of each year following the receipt of a grant, the Minnesota Council on Economic Education must report to the commissioner of education on the number and type of in-person and online teacher professional development opportunities provided by the Minnesota Council on Economic Education or its affiliated state centers for economic education. The report must include a description of the content, length, and location of the programs; the number of preservice and licensed teachers receiving professional development through each of these opportunities; and a summary of evaluations of teacher professional opportunities.

(d) The Department of Education must pay the full amount of the grant to the Minnesota Council on Economic Education by August 15 of each fiscal year. The Minnesota Council on Economic Education must submit its fiscal reporting in the form and manner specified by the commissioner. The commissioner may request additional information as necessary.

(e) This appropriation is in addition to any other appropriation for this purpose.

(f) The base for fiscal year 2024 and later is \$150,000.

Subd. 13. Multitiered systems of support. (a) For implementation of multitiered systems of support, a systematic continuous improvement framework that addresses the academic, behavioral, and social-emotional needs of all students at the universal, targeted, and intensive levels. Through multitiered systems of support, teachers must provide high quality, evidence-based instruction and intervention that is matched to a student's needs, use a method of monitoring progress regularly to inform decisions about instruction and goals, and apply data-based decision making to key educational efforts.

\$0	.....	2022
\$21,250,000	.....	2023

(b) Of this amount, \$2,600,000 is for the Department of Education to support implementation. Funds may be used to support increased capacity at the six Regional Centers of Excellence, the Early Childhood Special Education Centers of Excellence, and Minnesota Service Cooperatives.

(c) Of this amount, \$9,400,000 is reserved for grants to school districts, charter schools, and cooperative units as defined in Minnesota Statutes, section 123A.24, subdivision 2, for implementation of multitiered systems of support, including hiring local multitiered systems of support coordinators and deferring costs for personnel to participate in cohort activities. Up to five percent of this amount is available for program and grant administration.

(d) Of this amount, \$1,250,000 is for Language Essentials for Teachers of Reading and Spelling training for educators to ensure multitiered systems of support core, supplemental, and intervention literacy instructional practices are based in the science of reading. Up to five percent of this amount is available for program and grant administration.

(e) Of this amount, \$4,000,000 is for a grant to the Building Assets, Reducing Risks Center to provide access to services to all multitiered systems of support grantees under this subdivision. Up to five percent of this amount is available for program and grant administration.

(f) Of this amount, \$2,000,000 is for Tribal-state relations training for school staff engaged in the statewide implementation of multitiered systems of support framework. Up to five percent of this amount is available for program and grant administration.

(g) Of this amount, \$2,000,000 is for the University of Minnesota Center for Applied Research and Educational Improvement to support implementation and evaluation of the multitiered systems of support framework. Up to five percent of this amount is available for program and grant administration.

(h) Support for school districts, charter schools, and cooperative units under this subdivision may include but is not limited to:

(1) providing training, guidance, and implementation resources for a statewide multitiered system of support model, including a universal screening process approved by the Department of Education to identify students who may be at risk of experiencing academic, behavioral, and social-emotional development difficulties;

(2) providing guidance to convene school-based teams to analyze data provided by screenings under clause (1) and resources for related identification, instruction, and intervention methods;

(3) dyslexia screening and intervention based in the science of reading;

(4) requiring school districts and charter schools to provide parents of students identified in the screenings under clauses (1) and (3) with notice of screening findings and related support information;

(5) requiring districts and charter schools to provide at-risk students with interventions and to monitor the effectiveness of these interventions and student progress; and

(6) developing and annually reporting findings regarding the implementation of the statewide multitiered systems of support.

(i) The base for fiscal year 2024 and later is \$21,620,000. Of this amount, \$1,620,000 is for Language Essentials for Teachers of Reading and Spelling training.

Subd. 14. Network for the Development of Children of African Descent. (a) For a grant to the Network for the Development of Children of African Descent to expand the organization's holistic, evidence-based programming that has been proven to address disparate literacy, education, and family stabilization outcomes for African American children and their families, breaking generational cycles of poverty.

\$1,000,000

.....

2023

(b) Program and expansion activities must include:

(1) providing holistic programming for parents, caregivers, and children in prekindergarten through grade 8 using a two-generation or whole-family approach to support healthy child development through programming that is culturally responsive and focused on building foundational literacy, self-determination, and self-reliance;

(2) expanding the organization's family-centered home learning curricula and materials that support learning at home and school;

(3) providing training and consulting services to education and human service providers on improving culturally responsive services to children and families who are experiencing disparate outcomes; and

(4) scaling or replicating the organization's proven models in the seven-county metropolitan area and in other regions of Minnesota outside of the seven-county metropolitan area.

(c) This appropriation is available until June 30, 2025. The base for fiscal year 2024 and later is \$0.

Subd. 15. Wilderness Inquiry. (a) For a grant to Wilderness Inquiry for credit recovery programs, capital expenses, and a fellowship program:

\$494,000

.....

2023

(b) Of this amount, up to \$290,000 is for credit recovery activities.

(c) Of this amount, up to \$15,000 is for accessibility equipment for youth with disabilities.

(d) Of this amount, up to \$145,000 is for transportation needs.

(e) Of this amount, up to \$44,000 is for a fellowship program.

(f) Wilderness Inquiry must form at least four partnerships with school district or charter school programs to deliver services in partnership with the schools that will enhance credit recovery programs. Two of the districts must be outside of the 11-county metropolitan area. Each partnership agreement must provide a plan for integrating Wilderness Inquiry programming into credit recovery activities within the district.

(g) This appropriation is available until June 30, 2025.

(h) The grant recipient must submit a report describing the programs offered using grant funds and the effectiveness of program outcomes. The report must be submitted to the commissioner of education and to the chairs and ranking minority members of the legislative committees with jurisdiction over kindergarten through grade 12 education.

Subd. 16. **Sanneh Foundation.** For a grant to the Sanneh Foundation for the purposes of Laws 2021, First Special Session chapter 13, article 2, section 4, subdivision 22:

<u>\$650,000</u>	<u>.....</u>	<u>2023</u>
------------------	--------------	-------------

This appropriation is available until June 30, 2025.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 84. **REVISOR INSTRUCTION.**

The revisor of statutes shall renumber each section of Minnesota Statutes listed in column A with the number listed in column B. The revisor shall also make necessary cross-reference changes consistent with the renumbering. The revisor shall also make any technical language and other changes necessitated by the renumbering and cross-reference changes in this act.

Column A

Column B

General Requirements Statewide Assessments

<u>120B.30, subdivision 1a, paragraph (h)</u>	<u>120B.30, subdivision 1</u>
<u>120B.30, subdivision 1, paragraph (q)</u>	<u>120B.30, subdivision 2</u>
<u>120B.30, subdivision 1a, paragraph (g)</u>	<u>120B.30, subdivision 3</u>
<u>120B.30, subdivision 1b</u>	<u>120B.30, subdivision 4</u>
<u>120B.30, subdivision 1, paragraph (n)</u>	<u>120B.30, subdivision 5, paragraph (a)</u>
<u>120B.30, subdivision 1, paragraph (a)</u>	<u>120B.30, subdivision 5, paragraph (b)</u>
<u>120B.30, subdivision 1a, paragraph (e)</u>	<u>120B.30, subdivision 6, paragraph (a)</u>
<u>120B.30, subdivision 2, paragraph (a)</u>	<u>120B.30, subdivision 6, paragraph (b)</u>
<u>120B.30, subdivision 2, paragraph (b), clauses (1) and (2)</u>	<u>120B.30, subdivision 6, paragraph (c)</u>
<u>120B.30, subdivision 2</u>	<u>120B.30, subdivision 6, paragraph (d)</u>
<u>120B.30, subdivision 4</u>	<u>120B.30, subdivision 7</u>
<u>120B.30, subdivision 5</u>	<u>120B.30, subdivision 8</u>
<u>120B.30, subdivision 6</u>	<u>120B.30, subdivision 9</u>
<u>120B.30, subdivision 1, paragraph (e)</u>	<u>120B.30, subdivision 10</u>

General Requirements Test Design

<u>120B.30, subdivision 1a, paragraph (a), clauses (1) to (5)</u>	<u>120B.301, subdivision 1</u>
---	--------------------------------

<u>120B.30, subdivision 1, paragraph (a)</u>	<u>120B.301, subdivision 2</u>
<u>120B.30, subdivision 1, paragraph (b)</u>	<u>120B.301, subdivision 3, paragraph (a)</u>
<u>120B.30, subdivision 1, paragraph (n)</u>	<u>120B.301, subdivision 3, paragraph (b)</u>
<u>120B.30, subdivision 1a, paragraph (b)</u>	<u>120B.301, subdivision 3, paragraph (c)</u>
<u>120B.30, subdivision 1a, paragraph (c), clauses (1) and (2)</u>	<u>120B.301, subdivision 3, paragraph (d)</u>

Assessment Graduation Requirements

<u>120B.30, subdivision 1, paragraph (c), clauses (1) and (2)</u>	<u>120B.304, subdivision 1</u>
<u>120B.30, subdivision 1, paragraph (d)</u>	<u>120B.304, subdivision 2</u>
<u>120B.30, subdivision 1, paragraph (i)</u>	<u>120B.304, subdivision 3</u>

Assessment Reporting Requirements

<u>120B.30, subdivision 1a, paragraph (f), clauses (1) to (3)</u>	<u>120B.305, subdivision 1</u>
<u>120B.30, subdivision 1a, paragraph (d), clauses (1) to (4)</u>	<u>120B.305, subdivision 2, paragraph (a)</u>
<u>120B.30, subdivision 1, paragraph (m)</u>	<u>120B.305, subdivision 2, paragraph (b)</u>
<u>120B.30, subdivision 1, paragraph (n)</u>	<u>120B.305, subdivision 2, paragraph (c)</u>
<u>120B.30, subdivision 1, paragraph (o), clauses (1) to (4)</u>	<u>120B.305, subdivision 3, paragraph (a)</u>
<u>120B.30, subdivision 3</u>	<u>120B.305, subdivision 3, paragraph (b)</u>

District Assessment Requirements

<u>120B.301, paragraphs (a) to (c)</u>	<u>120B.306, subdivision 1</u>
<u>120B.304, paragraphs (a) and (b)</u>	<u>120B.306, subdivision 2</u>

College and Career Readiness

<u>120B.30, subdivision 1, paragraph (p)</u>	<u>120B.307, subdivision 1</u>
<u>120B.30, subdivision 1, paragraph (d)</u>	<u>120B.307, subdivision 2</u>
<u>120B.30, subdivision 1, paragraph (f)</u>	<u>120B.307, subdivision 3</u>
<u>120B.30, subdivision 1, paragraph (g)</u>	<u>120B.307, subdivision 4, paragraph (a)</u>
<u>120B.30, subdivision 1, paragraph (h)</u>	<u>120B.307, subdivision 4, paragraph (b)</u>
<u>120B.30, subdivision 1, paragraph (j)</u>	<u>120B.307, subdivision 4, paragraph (c)</u>
<u>120B.30, subdivision 1, paragraph (k)</u>	<u>120B.307, subdivision 4, paragraph (d)</u>
<u>120B.30, subdivision 1, paragraph (l)</u>	<u>120B.307, subdivision 4, paragraph (e)</u>

Sec. 85. **REPEALER.**

Minnesota Statutes 2020, section 120B.35, subdivision 5, is repealed.

ARTICLE 3
TEACHERS**Section 1. [120B.117] INCREASING THE PERCENTAGE OF TEACHERS OF COLOR AND AMERICAN INDIAN TEACHERS IN MINNESOTA.**

Subdivision 1. Purpose. This section sets short-term and long-term attainment goals for increasing the percentage of teachers of color and who are American Indian teachers in Minnesota and for ensuring all students have equitable access to effective and racially and ethnically diverse teachers who reflect the diversity of students. The goals and report required under this section are important for meeting attainment goals for the world's best workforce under section 120B.11, achievement and integration under section 124D.861, and higher education attainment under section 135A.012, all of which have been established to close persistent opportunity and achievement gaps that limit students' success in school and life and impede the state's economic growth.

Subd. 2. Equitable access to racially and ethnically diverse teachers. The percentage of teachers in Minnesota who are of color or who are American Indian should increase at least two percentage points per year to have a teaching workforce that more closely reflects the state's increasingly diverse student population and to ensure all students have equitable access to effective and diverse teachers by 2040.

Subd. 3. Rights not created. The attainment goal in this section is not to the exclusion of any other goals and does not confer a right or create a claim for any person.

Subd. 4. Reporting. Beginning in 2022 and every even-numbered year thereafter, the Professional Educator Licensing and Standards Board must collaborate with the Department of Education and the Office of Higher Education to publish a summary report of each of the programs they administer and any other programs receiving state appropriations that have or include an explicit purpose of increasing the racial and ethnic diversity of the state's teacher workforce to more closely reflect the diversity of students. The report must include programs under sections 122A.59, 122A.63, 122A.635, 122A.70, 122A.73, 124D.09, 124D.861, 136A.1274, 136A.1276, and 136A.1791, along with any other programs or initiatives that receive state appropriations to address the shortage of teachers of color and American Indian teachers. The board must, in coordination with the Office of Higher Education and Department of Education, provide policy and funding recommendations related to state-funded programs to increase the recruitment, preparation, licensing, hiring, and retention of racially and ethnically diverse teachers and the state's progress toward meeting or exceeding the goals of this section. The report must include recommendations for state policy and funding needed to achieve the goals of this section, plans for sharing the report and activities of grant recipients, and opportunities among grant recipients of various programs to share effective practices with each other. The 2022 report must include a recommendation of whether a state advisory council should be established to address the shortage of racially and ethnically diverse teachers and what the composition and charge of such an advisory council would be if established. The board must consult with the Indian Affairs Council and other ethnic councils along with other community partners, including students of color and American Indian students, in developing the report. By November 1 of each even-numbered year, the board must submit the report to the chairs and ranking minority members of the legislative committees with jurisdiction over education and higher education policy and finance. The report must be available to the public on the board's website.

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

Sec. 2. [120B.25] CURRICULUM POLICY.

A school board must adopt a written policy that prohibits discrimination or discipline for a teacher or principal on the basis of incorporating into curriculum contributions by persons in a federally protected class or protected class under sections 121A.031 and 363A.13, consistent with local collective bargaining agreements and sections 121A.41 to 121A.56.

Sec. 3. Minnesota Statutes 2020, section 122A.06, subdivision 6, is amended to read:

Subd. 6. **Shortage area.** "Shortage area" means:

(1) licensure fields and economic development regions reported by the commissioner of education or the Professional Educator Licensing and Standards Board as experiencing a teacher shortage, including the number of assignments a school district is unable to fill with a licensed teacher by November 1 of every even-numbered year; and

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

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 4. Minnesota Statutes 2020, section 122A.091, subdivision 5, is amended to read:

Subd. 5. **Survey of districts.** (a) The Professional Educator Licensing and Standards Board must survey the state's school districts and teacher preparation programs and report to the education committees of the legislature by February 1, 2019, and each odd-numbered year thereafter, on the status of teacher early retirement patterns, the access to effective and more diverse teachers who reflect the students under section 120B.35, subdivision 3, paragraph (b), clause (2), enrolled in a district or school, the teacher shortage, and the substitute teacher shortage, including patterns and shortages in licensure field areas and the economic development regions of the state.

(b) The report must also include:

(1) aggregate data on teachers' self-reported race and ethnicity;

(2) data on how districts are making progress in hiring teachers and substitute teachers in the areas of shortage, including the number of teachers hired in the preceding two years, the number of teachers hired holding a license at each tier level, the number of assignments the school district was unable to fill with a licensed teacher, and licenses and permissions for license fields without a board-approved preparation program by economic development regions; and

(3) a five-year projection of teacher demand for each district, taking into account the students under section 120B.35, subdivision 3, paragraph (b), clause (2), expected to enroll in the district during that five-year period.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 5. Minnesota Statutes 2020, section 122A.14, is amended by adding a subdivision to read:

Subd. 11. **Mental illness.** The board must adopt rules that require all school administrators renewing a license to include in the renewal requirements at least two hours of mental illness training. The training must include at least one hour of suicide prevention training in each licensure renewal period that is a nationally recognized evidence-based program. At least one additional hour of training must include understanding the key warning signs of early-onset mental illness in children and adolescents, trauma, accommodations for students' mental illness, parents' roles in addressing students' mental illness, fetal alcohol spectrum disorders, autism, and de-escalation methods, among other similar topics.

Sec. 6. Minnesota Statutes 2020, section 122A.181, subdivision 5, is amended to read:

Subd. 5. **Limitations on license.** (a) A Tier 1 license is limited to the content matter indicated on the application for the initial Tier 1 license under subdivision 1, clause (2), and limited to the district or charter school that requested the initial Tier 1 license.

(b) A Tier 1 license does not bring an individual within the definition of a teacher for purposes of section 122A.40, subdivision 1, or 122A.41, subdivision 1, clause (a).

~~(c) A Tier 1 license does not bring an individual within the definition of a teacher under section 179A.03, subdivision 18.~~

Sec. 7. Minnesota Statutes 2020, section 122A.183, subdivision 1, is amended to read:

Subdivision 1. **Requirements.** (a) The Professional Educator Licensing and Standards Board must issue a Tier 3 license to a candidate who provides information sufficient to demonstrate all of the following:

- (1) the candidate meets the educational or professional requirements in paragraphs (b) and (c);
- (2) the candidate has obtained a passing score on the required licensure exams under section 122A.185; and
- (3) the candidate has completed the coursework required under subdivision 2.

(b) A candidate for a Tier 3 license must have a bachelor's degree to teach a class or course outside a career and technical education or career pathways course of study.

(c) A candidate for a Tier 3 license must have one of the following credentials in a relevant content area to teach a class or course in a career and technical education or career pathways course of study:

- (1) an associate's degree;
- (2) a professional certification; or
- (3) five years of relevant work experience.

In consultation with the governor's Workforce Development Board established under section 116L.665, the board must establish a list of qualifying certifications, and may add additional professional certifications in consultation with school administrators, teachers, and other stakeholders.

(d) The board must issue a Tier 3 license to a candidate who provides information sufficient to demonstrate the following, regardless of whether the candidate meets other requirements in this section:

(1) the candidate has completed a teacher preparation program from a culturally specific Minority Serving Institution in the United States, such as Historically Black Colleges and Universities, Tribal Colleges and Universities, or Hispanic-Serving Institutions, including those in Puerto Rico, and is eligible for a teacher license in another state; or

(2) the candidate has completed a university teacher preparation program in another country and has taught at least two years.

The candidate must have completed student teaching comparable to the student teaching expectations in Minnesota.

Sec. 8. Minnesota Statutes 2020, section 122A.184, subdivision 1, is amended to read:

Subdivision 1. **Requirements.** The Professional Educator Licensing and Standards Board must issue a Tier 4 license to a candidate who provides information sufficient to demonstrate all of the following:

(1) the candidate meets all requirements for a Tier 3 license under section 122A.183, and has completed a teacher preparation program under section 122A.183, subdivision 2, clause (1) or (2);

(2) the candidate has at least three years of teaching experience in Minnesota or another state;

(3) the candidate has obtained a passing score on all required licensure exams under section 122A.185; and

(4) the candidate's most recent summative teacher evaluation did not result in placing or otherwise keeping the teacher in an improvement process pursuant to section 122A.40, subdivision 8, or 122A.41, subdivision 5.

Sec. 9. Minnesota Statutes 2020, section 122A.185, subdivision 1, is amended to read:

Subdivision 1. **Tests.** ~~(a) The Professional Educator Licensing and Standards Board must adopt rules requiring a candidate to demonstrate a passing score on a board adopted examination of skills in reading, writing, and mathematics before being granted a Tier 4 teaching license under section 122A.184 to provide direct instruction to pupils in elementary, secondary, or special education programs. Candidates may obtain a Tier 1, Tier 2, or Tier 3 license to provide direct instruction to pupils in elementary, secondary, or special education programs if candidates meet the other requirements in section 122A.181, 122A.182, or 122A.183, respectively.~~

~~(b)~~ (a) The board must adopt and revise rules requiring candidates applicants for Tier 3 and Tier 4 licenses to pass an examination or performance assessment of general pedagogical knowledge and examinations of licensure field specific content: if the applicant has not completed a board-approved preparation program assuring that candidates from the program recommended for licensure meet content and pedagogy licensure standards in Minnesota. Candidates who have satisfactorily completed board-approved programs in Minnesota with required coursework and clinical field experiences that include learning opportunities and assessments aligned to content and pedagogy licensure standards are not additionally required to pass content and pedagogy exams for Tier 3 licensure. Applicants who have satisfactorily completed a preparation program in another state and passed licensure examinations in that state are not additionally required to pass similar examinations required in Minnesota. The content examination requirement does not apply if no relevant content exam exists.

~~(c)~~ (b) Candidates for initial Tier 3 and Tier 4 licenses to teach elementary students must pass test items assessing the candidates' knowledge, skill, and ability in comprehensive, scientifically based reading instruction under section 122A.06, subdivision 4, knowledge and understanding of the foundations of reading development, development of reading comprehension and reading assessment and instruction, and the ability to integrate that knowledge and understanding into instruction strategies under section 122A.06, subdivision 4.

~~(d)~~ (c) All testing centers in the state must provide monthly opportunities for untimed content and pedagogy examinations. These opportunities must be advertised on the test registration website. The board must require the exam vendor to provide other equitable opportunities to pass exams, including:

(1) waiving testing fees for test takers who qualify for federal grants;

(2) providing free, multiple, full-length practice tests for each exam and free, comprehensive study guides on the test registration website;

(3) making content and pedagogy exams available in languages other than English for teachers seeking licensure to teach in language immersion programs; and

(4) providing free, detailed exam results analysis by test objective to assist candidates who do not pass an exam in identifying areas for improvement.

Any candidate who has not passed a required exam after two attempts must be allowed to retake the exam, including new versions of the exam, without being charged an additional fee.

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

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 10. Minnesota Statutes 2020, section 122A.187, is amended by adding a subdivision to read:

Subd. 7. American Indian history and culture. The Professional Educator Licensing and Standards Board must adopt rules that require all licensed teachers renewing their license under sections 122A.181 to 122A.184 to include in the renewal requirements professional development in the cultural heritage and contemporary contributions of American Indians, with particular emphasis on Minnesota Tribal Nations.

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

Sec. 11. Minnesota Statutes 2020, section 122A.40, subdivision 3, is amended to read:

Subd. 3. **Hiring, dismissing.** (a) School boards must hire or dismiss teachers at duly called meetings. Where a husband and wife, brother and sister, or two brothers or sisters, constitute a quorum, no contract employing a teacher shall be made or authorized except upon the unanimous vote of the full board. A teacher related by blood or marriage, within the fourth degree, computed by the civil law, to a board member shall not be employed except by a unanimous vote of the full board. The initial employment of the teacher in the district must be by written contract, signed by the teacher and by the chair and clerk. All subsequent employment of the teacher in the district must be by written contract, signed by the teacher and by the chair and clerk, except where there is a master agreement covering the employment of the teacher. Contracts for teaching or supervision of teaching can be made only with qualified teachers. A teacher shall not be required to reside within the employing district as a condition to teaching employment or continued teaching employment.

(b) A school district must report all new teacher hires and terminations, including layoffs, by race and ethnicity annually to the Professional Educator Licensing and Standards Board. The report must not include data that would personally identify individuals.

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

Sec. 12. Minnesota Statutes 2020, section 122A.40, subdivision 5, is amended to read:

Subd. 5. **Probationary period.** (a) The first three consecutive years of a teacher's first teaching experience in Minnesota in a single district is deemed to be a probationary period of employment, and, the probationary period in each district in which the teacher is thereafter employed shall be one year. The school board must adopt a plan for written evaluation of teachers during the probationary period that is consistent with subdivision 8. Evaluation must

occur at least three times periodically throughout each school year for a teacher performing services during that school year; the first evaluation must occur within the first 90 days of teaching service. Days devoted to parent-teacher conferences, teachers' workshops, and other staff development opportunities and days on which a teacher is absent from school must not be included in determining the number of school days on which a teacher performs services. Except as otherwise provided in paragraph (b), during the probationary period any annual contract with any teacher may or may not be renewed as the school board shall see fit. However, the board must give any such teacher whose contract it declines to renew for the following school year written notice to that effect before July 1. If the teacher requests reasons for any nonrenewal of a teaching contract, the board must give the teacher its reason in writing, including a statement that appropriate supervision was furnished describing the nature and the extent of such supervision furnished the teacher during the employment by the board, within ten days after receiving such request. The school board may, after a hearing held upon due notice, discharge a teacher during the probationary period for cause, effective immediately, under section 122A.44.

(b) A board must discharge a probationary teacher, effective immediately, upon receipt of notice under section 122A.20, subdivision 1, paragraph (b), that the teacher's license has been revoked due to a conviction for child abuse or sexual abuse.

(c) A probationary teacher whose first three years of consecutive employment are interrupted for active military service and who promptly resumes teaching consistent with federal reemployment timelines for uniformed service personnel under United States Code, title 38, section 4312(e), is considered to have a consecutive teaching experience for purposes of paragraph (a).

(d) A probationary teacher whose first three years of consecutive employment are interrupted for maternity, paternity, or medical leave and who resumes teaching within 12 months of when the leave began is considered to have a consecutive teaching experience for purposes of paragraph (a) if the probationary teacher completes a combined total of three years of teaching service immediately before and after the leave.

(e) A probationary teacher must complete at least 120 days of teaching service each year during the probationary period. Days devoted to parent-teacher conferences, teachers' workshops, and other staff development opportunities and days on which a teacher is absent from school do not count as days of teaching service under this paragraph.

(f) Notwithstanding any law to the contrary, a teacher who has taught for three consecutive years in a single school district or charter school in Minnesota or another state must serve a probationary period no longer than one year in a Minnesota school district.

EFFECTIVE DATE. This section is effective for collective bargaining agreements effective July 1, 2023, and thereafter.

Sec. 13. Minnesota Statutes 2020, section 122A.40, subdivision 8, is amended to read:

Subd. 8. **Development, evaluation, and peer coaching for continuing contract teachers.** (a) To improve student learning and success, a school board and an exclusive representative of the teachers in the district, consistent with paragraph (b), may develop a teacher evaluation and peer review process for probationary and continuing contract teachers through joint agreement. If a school board and the exclusive representative of the teachers do not agree to an annual teacher evaluation and peer review process, then the school board and the exclusive representative of the teachers must implement the state teacher evaluation plan under paragraph (c). The process must include having trained observers serve as peer coaches or having teachers participate in professional learning communities, consistent with paragraph (b).

(b) To develop, improve, and support qualified teachers and effective teaching practices, improve student learning and success, and provide all enrolled students in a district or school with improved and equitable access to more effective and diverse teachers, the annual evaluation process for teachers:

- (1) must, for probationary teachers, provide for all evaluations required under subdivision 5;
- (2) must establish a three-year professional review cycle for each teacher that includes an individual growth and development plan, a peer review process, and at least one summative evaluation performed by a qualified and trained evaluator such as a school administrator. For the years when a tenured teacher is not evaluated by a qualified and trained evaluator, the teacher must be evaluated by a peer review;
- (3) ~~must be based on professional teaching standards established in rule~~ create, adopt, or revise a rubric of performance standards for teacher practice that (i) is based on professional teaching standards established in rule, (ii) includes culturally responsive methodologies, and (iii) provides common descriptions of effectiveness using at least three levels of performance;
- (4) must coordinate staff development activities under sections 122A.60 and 122A.61 with this evaluation process and teachers' evaluation outcomes;
- (5) may provide time during the school day and school year for peer coaching and teacher collaboration;
- (6) may include job-embedded learning opportunities such as professional learning communities;
- (7) may include mentoring and induction programs for teachers, including teachers who are members of populations underrepresented among the licensed teachers in the district or school and who reflect the diversity of students under section 120B.35, subdivision 3, paragraph (b), clause (2), who are enrolled in the district or school;
- (8) must include an option for teachers to develop and present a portfolio demonstrating evidence of reflection and professional growth, consistent with section 122A.187, subdivision 3, and include teachers' own performance assessment based on student work samples and examples of teachers' work, which may include video among other activities for the summative evaluation;
- (9) must use data from valid and reliable assessments aligned to state and local academic standards and must use state and local measures of student growth and literacy that may include value-added models or student learning goals to determine 35 percent of teacher evaluation results;
- (10) must use longitudinal data on student engagement and connection, and other student outcome measures explicitly aligned with the elements of curriculum for which teachers are responsible, including academic literacy, oral academic language, and achievement of content areas of English learners;
- (11) must require qualified and trained evaluators such as school administrators to perform summative evaluations and ensure school districts and charter schools provide for effective evaluator training specific to teacher development and evaluation;
- (12) must give teachers not meeting professional teaching standards under clauses (3) through (11) support to improve through a teacher improvement process that includes established goals and timelines; and

(13) must discipline a teacher for not making adequate progress in the teacher improvement process under clause (12) that may include a last chance warning, termination, discharge, nonrenewal, transfer to a different position, a leave of absence, or other discipline a school administrator determines is appropriate.

Data on individual teachers generated under this subdivision are personnel data under section 13.43. The observation and interview notes of peer coaches may only be disclosed to other school officials with the consent of the teacher being coached.

(c) The department, in consultation with parents who may represent parent organizations and teacher and administrator representatives appointed by their respective organizations, representing the Professional Educator Licensing and Standards Board, the Minnesota Association of School Administrators, the Minnesota School Boards Association, the Minnesota Elementary and Secondary Principals Associations, Education Minnesota, and representatives of the Minnesota Assessment Group, the Minnesota Business Partnership, the Minnesota Chamber of Commerce, and Minnesota postsecondary institutions with research expertise in teacher evaluation, must create and publish a teacher evaluation process that complies with the requirements in paragraph (b) and applies to all teachers under this section and section 122A.41 for whom no agreement exists under paragraph (a) for an annual teacher evaluation and peer review process. The teacher evaluation process created under this subdivision does not create additional due process rights for probationary teachers under subdivision 5.

(d) Consistent with the measures of teacher effectiveness under this subdivision:

(1) for students in kindergarten through grade 4, a school administrator must not place or approve the placement of a student in the classroom of a teacher who is in the improvement process referenced in paragraph (b), clause (12), or has not had a summative evaluation if, in the prior year, that student was in the classroom of a teacher who received discipline pursuant to paragraph (b), clause (13), unless no other teacher at the school teaches that grade; and

(2) for students in grades 5 through 12, a school administrator must not place or approve the placement of a student in the classroom of a teacher who is in the improvement process referenced in paragraph (b), clause (12), or has not had a summative evaluation if, in the prior year, that student was in the classroom of a teacher who received discipline pursuant to paragraph (b), clause (13), unless no other teacher at the school teaches that subject area and grade.

All data created and used under this paragraph retains its classification under chapter 13.

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

Sec. 14. Minnesota Statutes 2020, section 122A.41, subdivision 2, is amended to read:

Subd. 2. **Probationary period; discharge or demotion.** (a) All teachers in the public schools in cities of the first class during the first three years of consecutive employment shall be deemed to be in a probationary period of employment during which period any annual contract with any teacher may, or may not, be renewed as the school board, after consulting with the peer review committee charged with evaluating the probationary teachers under subdivision 3, shall see fit. The school site management team or the school board if there is no school site management team, shall adopt a plan for a written evaluation of teachers during the probationary period according to subdivisions 3 and 5. Evaluation by the peer review committee charged with evaluating probationary teachers under subdivision 3 shall occur at least three times periodically throughout each school year for a teacher performing services during that school year; the first evaluation must occur within the first 90 days of teaching service. Days devoted to parent-teacher conferences, teachers' workshops, and other staff development opportunities and days on which a teacher is absent from school shall not be included in determining the number of school days on which a teacher performs services. The school board may, during such probationary period, discharge or demote a teacher for any of the causes as specified in this code. A written statement of the cause of such discharge or demotion shall be given to the teacher by the school board at least 30 days before such removal or demotion shall become effective, and the teacher so notified shall have no right of appeal therefrom.

(b) A probationary teacher whose first three years of consecutive employment are interrupted for active military service and who promptly resumes teaching consistent with federal reemployment timelines for uniformed service personnel under United States Code, title 38, section 4312(e), is considered to have a consecutive teaching experience for purposes of paragraph (a).

(c) A probationary teacher whose first three years of consecutive employment are interrupted for maternity, paternity, or medical leave and who resumes teaching within 12 months of when the leave began is considered to have a consecutive teaching experience for purposes of paragraph (a) if the probationary teacher completes a combined total of three years of teaching service immediately before and after the leave.

(d) A probationary teacher must complete at least 120 days of teaching service each year during the probationary period. Days devoted to parent-teacher conferences, teachers' workshops, and other staff development opportunities and days on which a teacher is absent from school do not count as days of teaching service under this paragraph.

(e) Notwithstanding any law to the contrary, a teacher who has taught for three consecutive years in a single school district or charter school in Minnesota or another state must serve a probationary period no longer than one year in a Minnesota school district.

EFFECTIVE DATE. This section is effective for collective bargaining agreements effective July 1, 2023, and thereafter.

Sec. 15. Minnesota Statutes 2020, section 122A.41, subdivision 5, is amended to read:

Subd. 5. Development, evaluation, and peer coaching for continuing contract teachers. (a) To improve student learning and success, a school board and an exclusive representative of the teachers in the district, consistent with paragraph (b), may develop an annual teacher evaluation and peer review process for probationary and nonprobationary teachers through joint agreement. If a school board and the exclusive representative of the teachers in the district do not agree to an annual teacher evaluation and peer review process, then the school board and the exclusive representative of the teachers must implement the state teacher evaluation plan developed under paragraph (c). The process must include having trained observers serve as peer coaches or having teachers participate in professional learning communities, consistent with paragraph (b).

(b) To develop, improve, and support qualified teachers and effective teaching practices and improve student learning and success, and provide all enrolled students in a district or school with improved and equitable access to more effective and diverse teachers, the annual evaluation process for teachers:

(1) must, for probationary teachers, provide for all evaluations required under subdivision 2;

(2) must establish a three-year professional review cycle for each teacher that includes an individual growth and development plan, a peer review process, and at least one summative evaluation performed by a qualified and trained evaluator such as a school administrator;

(3) must be based on professional teaching standards established in rule create, adopt, or revise a rubric of performance standards for teacher practice that (i) is based on professional teaching standards established in rule, (ii) includes culturally responsive methodologies, and (iii) provides common descriptions of effectiveness using at least three levels of performance;

(4) must coordinate staff development activities under sections 122A.60 and 122A.61 with this evaluation process and teachers' evaluation outcomes;

(5) may provide time during the school day and school year for peer coaching and teacher collaboration;

(6) may include job-embedded learning opportunities such as professional learning communities;

(7) may include mentoring and induction programs for teachers, including teachers who are members of populations underrepresented among the licensed teachers in the district or school and who reflect the diversity of students under section 120B.35, subdivision 3, paragraph (b), clause (2), who are enrolled in the district or school;

(8) must include an option for teachers to develop and present a portfolio demonstrating evidence of reflection and professional growth, consistent with section 122A.187, subdivision 3, and include teachers' own performance assessment based on student work samples and examples of teachers' work, which may include video among other activities for the summative evaluation;

(9) must use data from valid and reliable assessments aligned to state and local academic standards and must use state and local measures of student growth and literacy that may include value-added models or student learning goals to determine 35 percent of teacher evaluation results;

(10) must use longitudinal data on student engagement and connection and other student outcome measures explicitly aligned with the elements of curriculum for which teachers are responsible, including academic literacy, oral academic language, and achievement of English learners;

(11) must require qualified and trained evaluators such as school administrators to perform summative evaluations and ensure school districts and charter schools provide for effective evaluator training specific to teacher development and evaluation;

(12) must give teachers not meeting professional teaching standards under clauses (3) through (11) support to improve through a teacher improvement process that includes established goals and timelines; and

(13) must discipline a teacher for not making adequate progress in the teacher improvement process under clause (12) that may include a last chance warning, termination, discharge, nonrenewal, transfer to a different position, a leave of absence, or other discipline a school administrator determines is appropriate.

Data on individual teachers generated under this subdivision are personnel data under section 13.43. The observation and interview notes of peer coaches may only be disclosed to other school officials with the consent of the teacher being coached.

(c) The department, in consultation with parents who may represent parent organizations and teacher and administrator representatives appointed by their respective organizations, representing the Professional Educator Licensing and Standards Board, the Minnesota Association of School Administrators, the Minnesota School Boards Association, the Minnesota Elementary and Secondary Principals Associations, Education Minnesota, and representatives of the Minnesota Assessment Group, the Minnesota Business Partnership, the Minnesota Chamber of Commerce, and Minnesota postsecondary institutions with research expertise in teacher evaluation, must create and publish a teacher evaluation process that complies with the requirements in paragraph (b) and applies to all teachers under this section and section 122A.40 for whom no agreement exists under paragraph (a) for an annual teacher evaluation and peer review process. The teacher evaluation process created under this subdivision does not create additional due process rights for probationary teachers under subdivision 2.

(d) Consistent with the measures of teacher effectiveness under this subdivision:

(1) for students in kindergarten through grade 4, a school administrator must not place or approve the placement of a student in the classroom of a teacher who is in the improvement process referenced in paragraph (b), clause (12), or has not had a summative evaluation if, in the prior year, that student was in the classroom of a teacher who received discipline pursuant to paragraph (b), clause (13), unless no other teacher at the school teaches that grade; and

(2) for students in grades 5 through 12, a school administrator must not place or approve the placement of a student in the classroom of a teacher who is in the improvement process referenced in paragraph (b), clause (12), or has not had a summative evaluation if, in the prior year, that student was in the classroom of a teacher who received discipline pursuant to paragraph (b), clause (13), unless no other teacher at the school teaches that subject area and grade.

All data created and used under this paragraph retains its classification under chapter 13.

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

Sec. 16. Minnesota Statutes 2020, section 122A.41, is amended by adding a subdivision to read:

Subd. 16. Hiring and dismissal. A school district must report all new teacher hires and terminations, including layoffs, by race and ethnicity annually to the Professional Educator Licensing and Standards Board. The report must not include data that would personally identify individuals.

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

Sec. 17. Minnesota Statutes 2020, section 122A.415, subdivision 4, is amended to read:

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

(b) Notwithstanding paragraph (a) and subdivision 1, the state total basic alternative teacher compensation aid entitlement must not exceed ~~\$75,840,000 for fiscal year 2016 and~~ \$88,118,000 for fiscal year ~~2017~~ 2022, \$88,951,000 for fiscal year 2023, and \$89,161,000 for fiscal year 2024 and later. The commissioner must limit the amount of alternative teacher compensation aid approved under this section so as not to exceed these limits by not approving new participants or by prorating the aid among participating districts, intermediate school districts, school sites, and charter schools. The commissioner may also reallocate a portion of the allowable aid for the biennium from the second year to the first year to meet the needs of approved participants.

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

EFFECTIVE DATE. This section is effective for the entitlement for fiscal year 2023.

Sec. 18. Minnesota Statutes 2020, section 122A.415, is amended by adding a subdivision to read:

Subd. 7. Revenue uses. (a) Alternative teacher compensation revenue received under this section must be used for purposes directly aligned with the implementation of the approved plan under section 122A.414, subdivisions 2, paragraph (b), and 2a, if the applicant is a charter school or cooperative.

(b) No more than five percent of the total amount of revenue may be spent on administrative costs.

Sec. 19. Minnesota Statutes 2020, section 122A.415, is amended by adding a subdivision to read:

Subd. 8. **Revenue reserved.** Alternative teacher compensation revenue received under this section must be reserved and used only for the programs authorized in this section.

Sec. 20. Minnesota Statutes 2020, section 122A.50, is amended to read:

122A.50 PREPARATION TIME.

Subdivision 1. **Preparation time.** Beginning with agreements effective July 1, 1995, and thereafter, all collective bargaining agreements for teachers provided for under chapter 179A, must include provisions for preparation time or a provision indicating that the parties to the agreement chose not to include preparation time in the contract.

If the parties cannot agree on preparation time the following provision shall apply and be incorporated as part of the agreement: "Within the student day for every 25 minutes of classroom instructional time, a minimum of five additional minutes of preparation time shall be provided to each licensed teacher. Preparation time shall be provided in one or two uninterrupted blocks during the student day. Exceptions to this may be made by mutual agreement between the district and the exclusive representative of the teachers."

Subd. 2. **Due process forms and procedures time.** (a) Beginning with the 2022-2023 school year, a school district must use the revenue under this subdivision to provide time for teachers to complete due process forms and procedures in accordance with the plan developed under paragraph (c). This time is in addition to the preparation time under subdivision 1. For purposes of this subdivision, "school district" includes a charter school where teachers have an exclusive representative for purposes of collective bargaining.

(b) For fiscal year 2023, the due process revenue for a school district is equal to \$19 times the adjusted pupil units for the current fiscal year. For fiscal year 2023, the due process revenue for a school district that is a member of an intermediate school district or other cooperative unit that enrolls students is equal to \$3.75 times the adjusted pupil units for the current fiscal year. For fiscal year 2024 and later, the due process revenue for a school district equals \$7.40 times the adjusted pupil units for the current fiscal year. For fiscal year 2024 and later, the due process revenue for a school district that is a member of an intermediate school district or other cooperative unit that enrolls students equals \$1.50 times the adjusted pupil units for the current fiscal year. If a district is a member of more than one cooperative unit that enrolls students, the revenue must be allocated among the cooperative units.

(c) A district must meet and negotiate an agreement with the exclusive representative of teachers in the district containing a plan to use the revenue authorized under this subdivision. The plan must provide teachers that provide direct services to students with individualized education programs or individualized family services plans time to complete due process forms and procedures. Examples of allowed uses for the revenue include:

(1) twenty hours of paid time for each teacher providing direct special education services, with the time paid at a rate proportional to the teacher's annual salary, in addition to the wages provided under applicable collective bargaining agreements and memoranda between the school board and exclusive representative of teachers;

(2) the costs of necessary substitute teachers;

(3) innovative flexible learning days or weeks that provide teachers time during the regularly scheduled duty day to complete forms and procedures; and

(4) due process clerks or other staff dedicated to assisting teachers with due process forms and procedures.

(d) If the district and exclusive representative cannot reach agreement on a plan to use the revenue, the agreement must require the revenue to be used for the use identified in paragraph (c), clause (1). The parties may agree to reduce the number of paid hours if they agree on another use for the revenue, including another use identified in paragraph (c).

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

Sec. 21. Minnesota Statutes 2020, section 122A.635, is amended to read:

122A.635 COLLABORATIVE URBAN AND GREATER MINNESOTA EDUCATORS OF COLOR GRANT PROGRAM.

Subdivision 1. **Establishment.** The Professional Educator Licensing and Standards Board must award competitive grants to increase the number of teacher candidates who are of color or who are American Indian, complete teacher preparation programs, and meet the requirements for a Tier 3 license under section 122A.183. Eligibility for a grant under this section is limited to public or private higher education institutions that offer a teacher preparation program approved by the Professional Educator Licensing and Standards Board.

Subd. 2. **Competitive grants.** (a) The Professional Educator Licensing and Standards Board must award competitive grants to a variety of higher education institution types under this section. The board must require an applicant institution to submit a plan describing how it would use grant funds to increase the number of teachers who are of color or who are American Indian, and must award grants based on the following criteria, listed in descending order of priority:

~~(1) the number of teacher candidates being supported in the program who are of color or who are American Indian;~~

~~(2) (1) program outcomes, including graduation or program completion rates, and licensure recommendation rates, and placement rates for candidates who are of color or who are American Indian compared to all candidates enrolled in a teacher preparation program at the institution and, for each outcome measure, the number of those teacher candidates who are of color or who are American Indian; and~~

~~(3) the percent of racially and ethnically diverse teacher candidates enrolled in the institution compared to:~~

~~(i) the total percent of students of color and American Indian students enrolled at the institution, regardless of major; and~~

~~(ii) the percent of underrepresented racially and ethnically diverse teachers in the economic development region of the state where the institution is located and where a shortage of diverse teachers exists, as reported under section 122A.091, subdivision 5.~~

(2) the extent to which an institution's plan is clear in describing how the institution would use grant funds for implementing explicit research-based practices to provide programmatic support to teacher candidates who are of color or who are American Indian. Plans for grant funds may include:

(i) recruiting more racially and ethnically diverse candidates for admission to teacher preparation programs;

(ii) providing differentiated advising, mentoring, or other supportive community-building activities in addition to what the institution provides to all candidates enrolled in the institution;

(iii) providing academic tutoring or support to help teacher candidates pass required assessments; and

(iv) providing for program staffing expenses;

(3) an institution's plan to provide direct financial assistance as scholarships or stipends within the allowable dollar range determined by the board under subdivision 3, paragraph (b), to teacher candidates who are of color or who are American Indian;

(b) The board must give priority in awarding grants under this section to institutions that received grants under Laws 2017, First Special Session chapter 5, article 2, section 57, subdivision 27, and have demonstrated continuing success at recruiting, retaining, graduating, and inducting (4) whether the institution has previously received a competitive grant under this section and has demonstrated positive outcomes from the use of grant funds for efforts helping teacher candidates who are of color or who are American Indian- to enroll in and successfully complete teacher preparation programs and be recommended for licensure;

(5) geographic diversity among the institutions. In order to expand the number of grant recipients throughout the state, whenever there is at least a 20 percent increase in the base appropriation for this grant program, the board must prioritize awarding grants to institutions outside of the Twin Cities metropolitan area. If the board awards a competitive grant based on the criteria in paragraph (a) to a program that has not previously received funding, the board must thereafter give priority to the program equivalent to other programs given priority under this paragraph that have received grants and demonstrated positive outcomes; and

(6) the percentage of racially and ethnically diverse teacher candidates enrolled in the institution compared to:

(i) the aggregate percentage of students of color and American Indian students enrolled in the institution, regardless of major; and

(ii) the percentage of underrepresented racially and ethnically diverse teachers in the economic development region of the state where the institution is located and where a shortage of diverse teachers exists, as reported under section 122A.091, subdivision 5.

(b) The board must not penalize an applicant institution in the grant review process for using grant funds only to provide direct financial support to teacher candidates if that is the institution's priority and the institution uses other resources to provide programmatic support to candidates.

(c) The board must determine award amounts for development, maintenance and, or expansion of programs based only on the degree to which applicants meet the criteria in this subdivision, the number of candidates who are of color or who are American Indian supported by an applicant program, sustaining support for those candidates, and funds available.

(d) The board must determine grant awards in part by multiplying the number of teacher candidates to be provided direct financial assistance by the average amount the institution proposes per candidate that is within the allowable dollar range. After assessing an institution's adherence to grant criteria and funds available, the board may grant an institution a lower average amount per candidate and the institution may decide to award less per candidate or provide financial assistance to fewer candidates within the allowable range. Additionally, an institution may use up to 25 percent of the awarded grant funds to provide programmatic support as described in paragraph (a), clause (3). If the board does not award an applicant institution's full request, the board must allow the institution to modify how it uses grant funds to maximize program outcomes consistent with the requirements of this section.

Subd. 3. **Grant program administration.** (a) The Professional Educator Licensing and Standards Board may enter into an interagency agreement with the Office of Higher Education. The agreement may include a transfer of funds to the Office of Higher Education to help establish and administer the competitive grant process. The board must award grants to institutions located in various economic development regions throughout the state, but must not predetermine the number of institutions to be awarded grants under this section or set a limit for the amount that any one institution may receive as part of the competitive grant application process.

(b) The board must establish a standard allowable dollar range for the amount of direct financial assistance an applicant institution may provide to each candidate. To determine the range, the board may collect de-identified data from institutions that received a grant during the previous grant period and calculate the average scholarship amount awarded to all candidates across all institutions using the most recent fiscal year data available. The calculation may be used to determine a scholarship range that is no more than 25 percent than this amount and no less than half the average of this amount. The purpose of direct financial assistance is to assist candidates matriculating through completing licensure programs if they demonstrate financial need after considering other grants and scholarships provided.

(c) All grants must be awarded by August 15 of the fiscal year in which the grants are to be used ~~except that, for initial competitive grants awarded for fiscal year 2020, grants must be awarded by September 15.~~ An institution that receives a grant under this section may use the grant funds over a two- to four-year period to sustain support for teacher candidates at any stage from recruitment and program admission to graduation and licensure application.

Subd. 4. **Report.** (a) ~~By January~~ July 15 of each year, an institution awarded a grant under this section must prepare for the legislature and the board a detailed report regarding the expenditure of grant funds, including the amounts used to recruit, retain, and ~~induct support~~ teacher candidates of color or ~~who are~~ American Indian teacher candidates to complete programs and be recommended for licensure. The report must include:

(1) the total number of teacher candidates of color, ~~disaggregated by race or ethnic group, who~~ and American Indian teacher candidates who:

(i) are enrolled in the institution;

(ii) are supported by grant funds with direct financial assistance during the academic reporting year;

(iii) are supported with other programmatic supports;

(iv) are recruited ~~to the institution, are~~ and newly admitted to ~~the~~ a licensure program, ~~are enrolled in the;~~

(v) are enrolled in a licensure program;

(vi) have completed a licensure program, ~~have completed student teaching, have graduated, are licensed, and are newly employed as Minnesota teachers in their licensure field.~~ A grant recipient must report; and

(vii) were recommended for licensure in the field for which they were prepared;

(2) the total number of teacher candidates of color or ~~who are~~ American Indian teacher candidates at each stage from ~~recruitment~~ program admission to ~~licensed teaching~~ licensure recommendation as a percentage of ~~total~~ all candidates seeking the same licensure at the institution-; and

(3) a brief narrative describing the successes and challenges of efforts proposed in the grant application to support candidates with grant funds, and lessons learned for future efforts.

(b) ~~By September 1 of each year,~~ the board must post a report on its website summarizing the activities and outcomes of grant recipients and results that promote sharing of effective practices and lessons learned among grant recipients.

Sec. 22. Minnesota Statutes 2021 Supplement, section 122A.70, is amended to read:

122A.70 TEACHER MENTORSHIP AND RETENTION OF EFFECTIVE TEACHERS.

Subdivision 1. **Teacher mentoring, induction, and retention programs.** (a) School districts must develop teacher mentoring programs for teachers new to the profession or district, including teaching residents, teachers of color, teachers who are American Indian, teachers in license shortage areas, teachers with special needs, or experienced teachers in need of peer coaching.

(b) Teacher mentoring programs must be included in or aligned with districts' teacher evaluation and peer review processes under sections 122A.40, subdivision 8, and 122A.41, subdivision 5. A district may use staff development revenue under section 122A.61, special grant programs established by the legislature, or another funding source to pay a stipend to a mentor who may be a current or former teacher who has taught at least three years and is not on an improvement plan. ~~Other initiatives using such funds or funds available under sections 124D.861 and 124D.862 may include:~~

~~(1) additional stipends as incentives to mentors of color or who are American Indian;~~

~~(2) financial supports for professional learning community affinity groups across schools within and between districts for teachers from underrepresented racial and ethnic groups to come together throughout the school year. For purposes of this section, "affinity groups" are groups of educators who share a common racial or ethnic identity in society as persons of color or who are American Indian;~~

~~(3) programs for induction aligned with the district or school mentorship program during the first three years of teaching, especially for teachers from underrepresented racial and ethnic groups; or~~

~~(4) grants supporting licensed and nonlicensed educator participation in professional development, such as workshops and graduate courses, related to increasing student achievement for students of color and American Indian students in order to close opportunity and achievement gaps.~~

~~(c) A school or district that receives a grant must negotiate additional retention strategies or protection from unrequested leave of absences in the beginning years of employment for teachers of color and teachers who are American Indian. Retention strategies may include providing financial incentives for teachers of color and teachers who are American Indian to work in the school or district for at least five years and placing American Indian educators at sites with other American Indian educators and educators of color at sites with other educators of color to reduce isolation and increase opportunity for collegial support.~~

Subd. 2. **Board grants.** The Professional Educator Licensing and Standards Board must make grant application forms available to sites interested in developing, sustaining, or expanding a mentorship program. A school district; a or group of school districts; ~~a coalition of districts, teachers, and teacher education institutions; or, a school or~~ coalition of schools, or a coalition of teachers, ~~or nonlicensed educators~~ may apply for a program grant. A higher education institution or nonprofit organization may partner with a grant applicant but is not eligible as a sole applicant for grant funds. The Professional Educator Licensing and Standards Board, in consultation with the teacher mentoring task force, must approve or disapprove the applications. To the extent possible, the approved applications must reflect effective mentoring, professional development, and retention components, and be geographically distributed throughout the state. The Professional Educator Licensing and Standards Board must encourage the selected sites to consider the use of its assessment procedures.

Subd. 2a. **Funded work.** (a) Grant funds may be used for the following:

(1) additional stipends as incentives to mentors who are of color or who are American Indian;

(2) financial supports for professional learning community affinity groups across schools within and between districts for educators from underrepresented racial and ethnic groups to come together throughout the school year. For purposes of this section, "affinity groups" mean groups of licensed and nonlicensed educators who share a common racial or ethnic identity in society as persons who are of color or who are American Indian;

(3) programs for induction aligned with the district or school mentorship program during the first three years of teaching, especially for teachers from underrepresented racial and ethnic groups;

(4) professional development focused on ways to close opportunity and achievement gaps for students of color and American Indian students; or

(5) for teachers of color and American Indian teachers, graduate courses toward a first master's degree in a field related to their licensure or toward an additional license.

(b) A charter school or district that receives a grant must negotiate additional retention strategies or protection from unrequested leaves of absence in the beginning years of employment for teachers who are of color or who are American Indian. Retention strategies may include providing financial incentives for teachers of color and teachers who are American Indian to work in the school or district for at least five years and placing American Indian educators at sites with other American Indian educators and educators of color at sites with other educators of color to reduce isolation and increase opportunity for collegial support.

Subd. 3. **Criteria for selection.** (a) At a minimum, applicants for grants under subdivision 2 must express commitment to:

- (1) allow staff participation;
- (2) assess skills of both beginning and mentor teachers;
- (3) provide appropriate in-service to needs identified in the assessment;
- (4) provide leadership to the effort;
- (5) cooperate with higher education institutions or teacher educators;
- (6) provide facilities and other resources;
- (7) share findings, materials, and techniques with other school districts; and
- (8) retain teachers of color and teachers who are American Indian.

(b) The Professional Educator Licensing and Standards Board must give priority to applications to fund programs to induct, mentor, and retain Tier 2 or Tier 3 teachers who are of color or who are American Indian, and Tier 2 or Tier 3 teachers in licensure shortage areas within the applicant's economic development region.

Subd. 4. **Additional funding.** Grant applicants must seek additional funding and assistance from sources such as school districts, postsecondary institutions, foundations, and the private sector.

Subd. 5. **Program implementation.** A grant recipient may use grant funds on implementing activities over a period of time up to 24 months. New and expanding mentorship sites that receive a board grant under subdivision 2 to design, develop, implement, and evaluate their program must participate in activities that support program development and implementation.

Subd. 6. **Report.** By ~~June~~ September 30 of each year after receiving a grant, recipients must submit a report to the Professional Educator Licensing and Standards Board on program efforts that describes mentoring and induction activities and assesses the impact of these programs on teacher effectiveness and retention.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 23. Minnesota Statutes 2020, section 122A.76, is amended to read:

122A.76 STATEWIDE CONCURRENT ENROLLMENT TEACHER TRAINING PROGRAM PARTNERSHIP.

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

(b) "~~Northwest Regional Partnership~~" "Concurrent Enrollment Teacher Partnership" means a voluntary association of the Lakes Country Service Cooperative, the Northwest Service Cooperative, ~~and the Metropolitan Education Cooperative Service Unit~~, Minnesota State University-Moorhead, ~~and other interested colleges and universities operated by the Minnesota State system or the University of Minnesota that works work~~ together to provide coordinated higher learning opportunities for teachers.

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

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

~~(e)~~ (d) "Eligible teacher" means a licensed secondary teacher ~~of secondary school courses for postsecondary credit~~ interested in teaching or currently teaching concurrent enrollment courses.

Subd. 1a. **Fiscal host.** Lakes Country Service Cooperative is the fiscal host for the Concurrent Enrollment Teacher Partnership.

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

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

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

Subd. 4. **Funding for course participation; course development; scholarships; stipends participation incentives.** (a) Lakes Country Service Cooperative, in consultation with the other members of the ~~Northwest Regional Concurrent Enrollment Teacher Partnership~~, ~~shall~~ must

~~(1) provide funding for course development for eligible teachers to participate in the program for up to 18 credits in applicable postsecondary subject areas;~~

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

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

~~(b) If established, the State Partnership must:~~

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

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

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

(b) The Concurrent Enrollment Teacher Partnership may:

(1) provide funding for course development in applicable postsecondary subject areas;

(2) work with school districts to develop incentives for teachers to participate in the program; and

(3) enroll college faculty, as space permits, and provide financial assistance if state aid remains available.

Subd. 5. **Private funding.** The partnerships may receive private resources to supplement the available public money. ~~All money received in fiscal year 2017 shall be administered by the Lakes Country Service Cooperative. All money received in fiscal year 2018 and later shall be administered by the State Partnership.~~

Subd. 6. **Report required.** ~~(a) The Northwest Regional Partnership must submit a report by January 15, 2018, on the progress of its activities to the legislature, commissioner of education, and Board of Trustees of the Minnesota State Colleges and Universities. The report shall contain a financial report for the preceding year.~~

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

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 24. Minnesota Statutes 2020, section 123B.147, subdivision 3, is amended to read:

Subd. 3. **Duties; evaluation.** (a) The principal shall provide administrative, supervisory, and instructional leadership services, under the supervision of the superintendent of schools of the district and according to the policies, rules, and regulations of the school board, for the planning, management, operation, and evaluation of the education program of the building or buildings to which the principal is assigned.

(b) To enhance a principal's culturally responsive leadership skills and support and improve teaching practices, school performance, and student achievement for diverse student populations, including at-risk students, children with disabilities, English learners, and gifted students, among others, a district must develop and implement a

performance-based system for annually evaluating school principals assigned to supervise a school building within the district. The evaluation must be designed to improve teaching and learning by supporting the principal in shaping the school's professional environment and developing teacher quality, performance, and effectiveness. The annual evaluation must:

(1) support and improve a principal's instructional leadership, organizational management, and professional development, and strengthen the principal's capacity in the areas of instruction, supervision, evaluation, and teacher development;

(2) support and improve a principal's culturally responsive leadership practices that create inclusive and respectful teaching and learning environments for all students, families, and employees;

~~(2)~~ (3) include formative and summative evaluations based on multiple measures of student progress toward career and college readiness;

~~(3)~~ (4) be consistent with a principal's job description, a district's long-term plans and goals, and the principal's own professional multiyear growth plans and goals, all of which must support the principal's leadership behaviors and practices, rigorous curriculum, school performance, and high-quality instruction;

(4) (5) include on-the-job observations and previous evaluations;

(5) (6) allow surveys to help identify a principal's effectiveness, leadership skills and processes, and strengths and weaknesses in exercising leadership in pursuit of school success;

~~(6)~~ (7) use longitudinal data on student academic growth as 35 percent of the evaluation and incorporate district achievement goals and targets;

~~(7)~~ (8) be linked to professional development that emphasizes improved teaching and learning, curriculum and instruction, student learning, culturally responsive leadership practices, and a collaborative professional culture; and

~~(8)~~ (9) for principals not meeting standards of professional practice or other criteria under this subdivision, implement a plan to improve the principal's performance and specify the procedure and consequence if the principal's performance is not improved.

The provisions of this paragraph are intended to provide districts with sufficient flexibility to accommodate district needs and goals related to developing, supporting, and evaluating principals.

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

Sec. 25. Minnesota Statutes 2020, section 179A.03, subdivision 19, is amended to read:

Subd. 19. **Terms and conditions of employment.** "Terms and conditions of employment" means the hours of employment, the compensation therefor including fringe benefits except retirement contributions or benefits other than employer payment of, or contributions to, premiums for group insurance coverage of retired employees or severance pay, class sizes in school districts and charter schools, student testing, student to personnel ratios in school districts, and the employer's personnel policies affecting the working conditions of the employees. In the case of professional employees the term does not mean educational policies of a school district. "Terms and conditions of employment" is subject to section 179A.07.

Sec. 26. Laws 2021, First Special Session chapter 13, article 3, section 7, subdivision 3, is amended to read:

Subd. 3. **Statewide Concurrent enrollment teacher training program.** (a) For the concurrent enrollment teacher partnership under Minnesota Statutes, section 122A.76:

\$375,000	.....	2022
\$ 375,000 <u>1,000,000</u>	.....	2023

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

(c) Any balance in the second year does not cancel but is available until June 30, 2025.

Sec. 27. Laws 2021, First Special Session chapter 13, article 3, section 7, subdivision 4, is amended to read:

Subd. 4. **Grow Your Own.** (a) For grants to develop, continue, or expand Grow Your Own new teacher programs under Minnesota Statutes, section 122A.73:

\$6,500,000	.....	2022
\$ 6,500,000 <u>68,000,000</u>	.....	2023

(b) This appropriation is subject to the requirements under Minnesota Statutes, section 122A.73, subdivision 5.

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

(d) The base for fiscal years 2024 and 2025 is \$6,500,000. The base for fiscal year 2026 is \$27,000,000.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 28. Laws 2021, First Special Session chapter 13, article 3, section 7, subdivision 5, is amended to read:

Subd. 5. **Nonexclusionary discipline.** (a) For grants to school districts and charter schools to provide training for school staff on nonexclusionary disciplinary practices:

\$1,750,000	.....	2022
\$ 0 <u>5,000,000</u>	.....	2023

(b) Grants are to develop training and to work with schools to train staff on nonexclusionary disciplinary practices that maintain the respect, trust, and attention of students and help keep students in classrooms. These funds may also be used for grant administration.

(c) Eligible grantees include school districts, charter schools, intermediate school districts, and cooperative units as defined in section 123A.24, subdivision 2.

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

(e) The base for fiscal year 2024 and later is ~~\$0~~ \$5,000,000.

Sec. 29. Laws 2021, First Special Session chapter 13, article 3, section 7, subdivision 6, is amended to read:

Subd. 6. **Expanded concurrent enrollment grants.** (a) For grants to institutions offering "Introduction to Teaching" or "Introduction to Education" college in the schools courses under Minnesota Statutes, section 124D.09, subdivision 10, paragraph (b):

	\$500,000	.....	2022
	\$ 500,000 <u>1,000,000</u>	.....	2023

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

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

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 30. Laws 2021, First Special Session chapter 13, article 3, section 7, subdivision 7, is amended to read:

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

	\$ 88,896,000 <u>88,559,000</u>	.....	2022
	\$ 88,898,000 <u>89,234,000</u>	.....	2023

(b) The 2022 appropriation includes \$8,877,000 for 2021 and ~~\$80,019,000~~ \$79,682,000 for 2022.

(c) The 2023 appropriation includes ~~\$8,891,000~~ \$8,854,000 for 2022 and ~~\$80,007,000~~ \$80,380,000 for 2023.

Sec. 31. Laws 2021, First Special Session chapter 13, article 3, section 8, subdivision 2, is amended to read:

Subd. 2. **Collaborative urban and greater Minnesota educators of color grants.** (a) For collaborative urban and greater Minnesota educators of color grants under Minnesota Statutes, section 122A.635:

	\$1,000,000	.....	2022
	\$ 1,000,000 <u>3,000,000</u>	.....	2023

(b) The board may retain up to \$30,000 of the appropriation amount in each fiscal year to monitor and administer the grant program and a portion of these funds may be transferred to the Office of Higher Education as determined by the executive director of the board and the commissioner to support the administration of the program.

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

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 32. **TEACHER SUPPLY AND DEMAND REPORT.**

(a) By February 1, 2023, the Professional Educator Licensing and Standards Board must include in the report required under Minnesota Statutes, section 122A.091, subdivision 5, the number of teacher openings, by school district, for teachers with licenses in the following fields:

(1) English as a second language;

(2) early childhood;

(3) special education;

(4) career and technical education;

(5) science, technology, engineering, arts, and math; and

(6) world languages.

(b) For each field listed in paragraph (a), the report must also include the number of teachers hired, by school district, at each license tier level, and the number of teacher assignments the school district was unable to fill with a licensed teacher.

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

Sec. 33. TEMPORARY INCREASE IN TEACHERS RETIREMENT ASSOCIATION EARNINGS LIMITATION.

For fiscal years 2023, 2024, and 2025, notwithstanding Minnesota Statutes, section 354.44, subdivision 5, the applicable earnings limitation for an individual collecting a retirement annuity is \$92,000.

Sec. 34. APPROPRIATIONS.

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

Subd. 2. **American Indian history and culture.** (a) For implementation of the American Indian history and culture relicensure requirement under Minnesota Statutes, section 122A.187, subdivision 7. The commissioner may transfer funds to the Professional Educator Licensing and Standards Board as necessary:

<u>\$0</u>	<u>.....</u>	<u>2022</u>
<u>\$0</u>	<u>.....</u>	<u>2023</u>

(b) The base is \$86,000,000 for fiscal year 2024 and \$60,000 for fiscal year 2025.

Subd. 3. **Due process aid.** (a) For special education teacher due process aid under section 122A.50 not otherwise reimbursed as special education aid:

<u>\$18,230,000</u>	<u>.....</u>	<u>2023</u>
---------------------	--------------	-------------

(b) The base is \$8,227,000 for fiscal year 2024 and \$8,605,000 for fiscal year 2025.

Subd. 4. Science teachers. (a) For a grant to the Minnesota Science Teachers Association:

<u>\$611,000</u>	<u>.....</u>	<u>2023</u>
------------------	--------------	-------------

(b) Grant funds must be used to provide pedagogical and content professional development to implement the 2019 revised science standards, including for current high school teachers to prepare to take the content test for additional licensure in earth science, and to provide pedagogical and content professional development to 6th grade and high school teachers to be effective teachers of earth and space science. Professional development must be offered at multiple locations across the state, including outside the seven-county metropolitan area as well as online.

(c) This appropriation is available until June 30, 2025. Up to five percent of this appropriation may be used for administrative costs incurred by the Department of Education.

Subd. 5. **Teacher retention bonuses.** (a) For providing retention bonuses to teachers who are new to the profession:

\$0	.....	<u>2022</u>
\$11,250,000	.....	<u>2023</u>

(b) The commissioner must establish a process to identify eligible teachers to receive retention bonuses in this program.

(c) The commissioner must prioritize teachers of color and American Indian teachers, teachers filling licensure shortage areas, and teachers from low-income backgrounds.

(d) The employer of the eligible teacher must offer the stipend and request reimbursement from the department using a process established by the department.

(e) A retention bonus must be in addition to the local salary agreement.

(f) Reimbursements for eligible teachers must meet the following requirements:

(1) \$1,000 awarded to first-year teachers who successfully complete their first year of employment and are returning for a second year.

(2) \$2,000 awarded to the same cohort of teachers who successfully complete their second year of employment and are returning for a third year.

(3) \$4,500 awarded to the same cohort of teachers who successfully complete their third year of employment and are returning for a fourth year.

(g) This appropriation is available until June 30, 2025.

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

ARTICLE 4 CHARTER SCHOOLS

Section 1. Minnesota Statutes 2020, section 124E.02, is amended to read:

124E.02 DEFINITIONS.

(a) For purposes of this chapter, the terms defined in this section have the meanings given them.

(b) "Affidavit" means a written statement the authorizer submits to the commissioner for approval to establish a charter school under section 124E.06, subdivision 4, attesting to its review and approval process before chartering a school.

(c) "Affiliate" means a person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with another person.

(d) "Charter management organization" means any nonprofit entity that contracts with a charter school board of directors to provide, manage, or oversee all or substantially all of the charter school's educational program design or implementation, or the charter school's administrative, financial, business, and operational functions.

~~(d)~~ (e) "Control" means the ability to affect the management, operations, or policy actions or decisions of a person, whether by owning voting securities, by contract, or otherwise.

(f) "Education management organization" means any for-profit entity that contracts with a charter school board of directors to provide, manage, or oversee all or substantially all of the charter school's educational program design or implementation, or the charter school's administrative, financial, business, and operational functions.

~~(e)~~ (g) "Immediate family" means an individual whose relationship by blood, marriage, adoption, or partnership is no more remote than first cousin.

(h) "Market need and demand study" means a study that, for the proposed locations of the school or additional site, includes the following:

(1) current and projected demographic information of student populations in the geographic area;

(2) current student enrollment patterns in the geographic area;

(3) information on existing schools and types of educational programs currently available;

(4) documentation of the plan for outreach to diverse and underrepresented populations;

(5) information on the availability of properly zoned and classified facilities; and

(6) quantification of existing demand for the new school or site expansion.

(i) "Online education service provider" means an organization that provides the online learning management system, virtual learning environment, or online student management system and services for the implementation and operation of the online education program.

~~(f)~~ (j) "Person" means an individual or entity of any kind.

~~(g)~~ (k) "Related party" means an affiliate or immediate relative of the other interested party, an affiliate of an immediate relative who is the other interested party, or an immediate relative of an affiliate who is the other interested party.

~~(h)~~ (l) For purposes of this chapter, the terms defined in section 120A.05 have the same meanings.

Sec. 2. Minnesota Statutes 2020, section 124E.03, subdivision 2, is amended to read:

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

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

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

- (d) A charter school is a district for the purposes of tort liability under chapter 466.
- (e) A charter school must comply with the Pledge of Allegiance requirement under section 121A.11, subdivision 3.
- (f) A charter school and charter school board of directors must comply with chapter 181 governing requirements for employment.
- (g) A charter school must comply with continuing truant notification under section 260A.03.
- (h) A charter school must develop and implement a teacher evaluation and peer review process under section 122A.40, subdivision 8, paragraph (b), clauses (2) to (13), and place students in classrooms in accordance with section 122A.40, subdivision 8, paragraph (d). The teacher evaluation process in this paragraph does not create any additional employment rights for teachers.
- (i) A charter school must adopt a policy, plan, budget, and process, consistent with section 120B.11, to review curriculum, instruction, and student achievement and strive for the world's best workforce.
- (j) A charter school is subject to and must comply with the Pupil Fair Dismissal Act, sections 121A.40 to 121A.56, and section 121A.575.

Sec. 3. Minnesota Statutes 2020, section 124E.03, is amended by adding a subdivision to read:

Subd. 9. **English learners.** A charter school is subject to and must comply with the Education for English Learners Act, sections 124D.58 to 124D.64 as though it were a district.

Sec. 4. Minnesota Statutes 2020, section 124E.05, subdivision 4, is amended to read:

Subd. 4. **Application content.** (a) To be approved as an authorizer, an applicant must include in its application to the commissioner at least the following:

- (1) how the organization carries out its mission by chartering schools;
- (2) a description of the capacity of the organization to serve as an authorizer, including the positions allocated to authorizing duties, the qualifications for those positions, the full-time equivalencies of those positions, and the financial resources available to fund the positions;
- (3) the application and review process the authorizer uses to decide whether to grant charters;
- (4) the type of contract it arranges with the schools it charters to meet the provisions of section 124E.10;
- (5) the process for overseeing the school, consistent with clause (4), to ensure that the schools chartered comply with applicable law and rules and the contract;
- (6) the criteria and process the authorizer uses to approve applications adding grades or sites under section 124E.06, subdivision 5;
- (7) the process for renewing or terminating the school's charter based on evidence showing the academic, organizational, and financial competency of the school, including its success in increasing student achievement and meeting the goals of the charter school agreement; and

(8) an assurance specifying that the organization is committed to serving as an authorizer ~~for the full five year term until the organization formally withdraws as an approved authorizer under subdivision 7 or the commissioner terminates the organization's ability to authorize charter schools under subdivision 6.~~

(b) Notwithstanding paragraph (a), an authorizer that is a school district may satisfy the requirements of paragraph (a), clauses (1) and (2), and any requirement governing a conflict of interest between an authorizer and its charter schools or ongoing evaluation or continuing education of an administrator or other professional support staff by submitting to the commissioner a written promise to comply with the requirements.

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

Sec. 5. Minnesota Statutes 2020, section 124E.05, subdivision 7, is amended to read:

Subd. 7. **Withdrawal.** If the governing board of an approved authorizer votes to withdraw as an approved authorizer for a reason unrelated to any cause under ~~section 124E.10, subdivision 4~~ subdivision 6, the authorizer must notify all its chartered schools and the commissioner in writing by March 1 of its intent to withdraw as an authorizer on June 30 in the next calendar year, ~~regardless of when the authorizer's five year term of approval ends.~~ Upon notification of the schools and commissioner, the authorizer must provide a letter to the school for distribution to families of students enrolled in the school that explains the decision to withdraw as an authorizer. The commissioner may approve the transfer of a charter school to a new authorizer under section 124E.10, subdivision 5.

Sec. 6. Minnesota Statutes 2020, section 124E.06, subdivision 1, is amended to read:

Subdivision 1. **Individuals eligible to organize.** (a) An authorizer, after receiving an application from a charter school developer, may charter either a licensed teacher under section 122A.18, subdivision 1, or a group of individuals that includes one or more licensed teachers under section 122A.18, subdivision 1, to operate a school subject to the commissioner's approval of the authorizer's affidavit under subdivision 4.

(b) "Application" under this section means the charter school business plan a charter school developer submits to an authorizer for approval to establish a charter school. This application must include:

(1) the school developer's:

(i) mission statement;

(ii) school purposes;

(iii) program design;

(iv) market need and demand study;

~~(iv)~~ (v) financial plan;

~~(v)~~ (vi) governance and management structure; and

~~(vi)~~ (vii) background and experience; and

(2) any other information the authorizer requests; ~~and,~~

~~(3) a "statement of assurances" of legal compliance prescribed by the commissioner.~~

(c) An authorizer shall not approve an application submitted by a charter school developer under paragraph (a) if the application does not comply with subdivision 3, paragraph (e), and section 124E.01, subdivision 1. The commissioner shall not approve an affidavit submitted by an authorizer under subdivision 4 if the affidavit does not comply with subdivision 3, paragraph (e), and section 124E.01, subdivision 1.

Sec. 7. Minnesota Statutes 2020, section 124E.06, subdivision 4, is amended to read:

Subd. 4. **Authorizer's affidavit; approval process.** (a) Before an operator may establish and operate a school, the authorizer must file an affidavit with the commissioner stating its intent to charter a school. An authorizer must file a separate affidavit for each school it intends to charter. An authorizer must file an affidavit at least 14 months before July 1 of the year the new charter school plans to serve students. The affidavit must state:

(1) the terms and conditions under which the authorizer would charter a school, including the market need and demand study; and

(2) how the authorizer intends to oversee:

(i) the fiscal and student performance of the charter school; and

(ii) compliance with the terms of the written contract between the authorizer and the charter school board of directors under section 124E.10, subdivision 1.

(b) The commissioner must approve or disapprove the authorizer's affidavit within 60 business days of receiving the affidavit. If the commissioner disapproves the affidavit, the commissioner shall notify the authorizer of the deficiencies in the affidavit and the authorizer then has 20 business days to address the deficiencies. The commissioner must notify the authorizer of the commissioner's final approval or final disapproval within 15 business days after receiving the authorizer's response to the deficiencies in the affidavit. If the authorizer does not address deficiencies to the commissioner's satisfaction, the commissioner's disapproval is final. An authorizer who fails to obtain the commissioner's approval is precluded from chartering the school that is the subject of this affidavit.

Sec. 8. Minnesota Statutes 2020, section 124E.06, subdivision 5, is amended to read:

Subd. 5. **Adding grades or sites.** (a) A charter school may apply to the authorizer to amend the school charter to add grades or primary enrollment sites beyond those defined in the original affidavit approved by the commissioner. After approving the school's application, the authorizer shall submit a supplemental affidavit in the form and manner prescribed by the commissioner. The authorizer must file a supplemental affidavit to the commissioner by October 1 to be eligible to add grades or sites in the next school year. The supplemental affidavit must document to the authorizer's satisfaction:

(1) the need for the additional grades or sites with supporting long-range enrollment projections;

(2) a longitudinal record of student academic performance and growth on statewide assessments under chapter 120B or on other academic assessments that measure longitudinal student performance and growth approved by the charter school's board of directors and agreed upon with the authorizer;

(3) a history of sound school finances and a plan to add grades or sites that sustains the school's finances; ~~and~~

(4) board capacity to administer and manage the additional grades or sites; and

(5) for a site expansion, the market need and demand study.

(b) The commissioner shall have 30 business days to review and comment on the supplemental affidavit. The commissioner shall notify the authorizer in writing of any deficiencies in the supplemental affidavit and the authorizer then has 20 business days to address any deficiencies in the supplemental affidavit to the commissioner's satisfaction. The commissioner must notify the authorizer of final approval or final disapproval within 15 business days after receiving the authorizer's response to the deficiencies in the affidavit. The school may not add grades or sites until the commissioner has approved the supplemental affidavit. The commissioner's approval or disapproval of a supplemental affidavit is final.

Sec. 9. Minnesota Statutes 2020, section 124E.07, subdivision 3, is amended to read:

Subd. 3. **Membership criteria.** (a) The ongoing charter school board of directors shall have at least five nonrelated members and include: (1) at least one licensed teacher, as defined in section 122A.06, subdivision 2, who is employed as a teacher at the school or provides instruction under contract between the charter school and a cooperative; (2) at least one parent or legal guardian of a student enrolled in the charter school who is not an employee of the charter school; and (3) at least one interested community member who resides in Minnesota, is not employed by the charter school, and does not have a child enrolled in the school. The board structure may include a majority of teachers under this paragraph or parents or community members, or it may have no clear majority. The chief financial officer and the chief administrator may only serve as ex-officio nonvoting board members. No charter school employees shall serve on the board other than teachers under clause (1). Contractors providing facilities, goods, or services to a charter school shall not serve on the board of directors of the charter school.

(b) An individual is prohibited from serving as a member of the charter school board of directors if: (1) the individual, an immediate family member, or the individual's partner is a full or part owner or principal with a for-profit or nonprofit entity or independent contractor with whom the charter school contracts, directly or indirectly, for professional services, goods, or facilities; or (2) an immediate family member is an employee of the school. An individual may serve as a member of the board of directors if no conflict of interest exists under this paragraph, consistent with this section.

(c) A violation of paragraph (b) renders a contract voidable at the option of the commissioner or the charter school board of directors. A member of a charter school board of directors who violates paragraph (b) is individually liable to the charter school for any damage caused by the violation.

(d) Any employee, agent, or board member of the authorizer who participates in initially reviewing, approving, overseeing, evaluating, renewing, or not renewing the charter school is ineligible to serve on the board of directors of a school chartered by that authorizer.

Sec. 10. Minnesota Statutes 2020, section 124E.11, is amended to read:

124E.11 ADMISSION REQUIREMENTS AND ENROLLMENT.

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

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

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

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

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

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

(d) A person shall not be admitted to a charter school (1) as a kindergarten pupil, unless the pupil is at least five years of age on September 1 of the calendar year in which the school year for which the pupil seeks admission commences; or (2) as a first grade student, unless the pupil is at least six years of age on September 1 of the calendar year in which the school year for which the pupil seeks admission commences or has completed kindergarten; except that a charter school may establish and publish on its website a policy for admission of selected pupils at an earlier age, consistent with the enrollment process in paragraphs (b) and (c), and section 124D.02, subdivision 1.

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

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

(g) Once a student is enrolled in the school, the student is considered enrolled in the school until the student formally withdraws or is expelled under the Pupil Fair Dismissal Act in sections 121A.40 to 121A.56, except that children currently enrolled in the school's fee-based preschool or prekindergarten program under section 124E.06, subdivision 3, paragraph (b), who are eligible to enroll in kindergarten in the next school year must apply for entry into kindergarten according to the provisions of this section. Out-of-state residents must annually apply to and be admitted by the school according to the provisions of this section.

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

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

Sec. 11. Minnesota Statutes 2020, section 124E.13, subdivision 1, is amended to read:

Subdivision 1. **Leased space.** A charter school may lease space from: an independent or special school board; other public organization; private, nonprofit, nonsectarian organization; private property owner; or a sectarian organization if the leased space is constructed as a school facility. The owner of the space must be the lessor. The commissioner must review and approve or disapprove leases in a timely manner to determine eligibility for lease aid under section 124E.22.

EFFECTIVE DATE. This section is effective for leases effective July 1, 2022, and thereafter.

Sec. 12. Minnesota Statutes 2020, section 124E.13, subdivision 3, is amended to read:

Subd. 3. **Affiliated nonprofit building corporation.** (a) An affiliated nonprofit building corporation may purchase, expand, or renovate an existing facility to serve as a school or may construct a new school facility. ~~A One~~ charter school may organize an affiliated nonprofit building corporation that serves only that charter school if the charter school:

- (1) has operated for at least six consecutive years;
- (2) as of June 30, has a net positive unreserved general fund balance in the preceding three fiscal years;
- (3) has long-range strategic and financial plans that include enrollment projections for at least five years;
- (4) completes a feasibility study of facility options that outlines the benefits and costs of each option; and
- (5) has a plan that describes project parameters and budget.

(b) An affiliated nonprofit building corporation under this subdivision must:

- (1) be incorporated under section 317A;
- (2) comply with applicable Internal Revenue Service regulations, including regulations for "supporting organizations" as defined by the Internal Revenue Service;

(3) post on the school website the name, mailing address, bylaws, minutes of board meetings, and names of the current board of directors of the affiliated nonprofit building corporation;

(4) submit to the commissioner a copy of its annual audit by December 31 of each year; and

(5) comply with government data practices law under chapter 13.

(c) An affiliated nonprofit building corporation must not serve as the leasing agent for property ~~or~~ and facilities it does not own. A charter school that leases property and a facility from an affiliated nonprofit building corporation that does not own the leased ~~facility~~ property and building is ineligible to receive charter school lease aid. The state is immune from liability resulting from a contract between a charter school and an affiliated nonprofit building corporation.

(d) The board of directors of the charter school must ensure the affiliated nonprofit building corporation complies with all applicable legal requirements. The charter school's authorizer must oversee the efforts of the board of directors of the charter school to ensure legal compliance of the affiliated building corporation. A school's board of directors that fails to ensure the affiliated nonprofit building corporation's compliance violates its responsibilities and an authorizer must consider that failure when evaluating the charter school.

Sec. 13. Minnesota Statutes 2020, section 124E.16, subdivision 1, is amended to read:

Subdivision 1. **Audit report.** (a) A charter school is subject to the same financial audits, audit procedures, and audit requirements as a district, except as required under this subdivision. Audits must be conducted in compliance with generally accepted governmental auditing standards, the federal Single Audit Act, if applicable, and section 6.65 governing auditing procedures. A charter school is subject to and must comply with sections 15.054; 118A.01; 118A.02; 118A.03; 118A.04; 118A.05; 118A.06 governing government property and financial investments; and sections 471.38; 471.391; 471.392; and 471.425 governing municipal contracting. The audit must comply with the requirements of sections 123B.75 to 123B.83 governing school district finance, except when the commissioner and authorizer approve a deviation made necessary because of school program finances. The commissioner, state auditor, legislative auditor, or authorizer may conduct financial, program, or compliance audits. A charter school in statutory operating debt under sections 123B.81 to 123B.83 must submit a plan under section 123B.81, subdivision 4.

(b) The charter school must submit an audit report to the commissioner and its authorizer annually by December 31. The charter school's charter management organization or educational management organization must submit an audit report to the commissioner annually by December 31.

(c) The charter school, with the assistance of the auditor conducting the audit, must include with the report, as supplemental information: (1) a copy of management agreements with a charter management organization or an educational management organization and (2) service agreements or contracts over the lesser of \$100,000 or ten percent of the school's most recent annual audited expenditures. The agreements must detail the terms of the agreement, including the services provided and the annual costs for those services. If the entity that provides the professional services to the charter school is exempt from taxation under section 501 of the Internal Revenue Code of 1986, that entity must file with the commissioner by February 15 a copy of the annual return required under section 6033 of the Internal Revenue Code of 1986.

(d) A charter school independent audit report shall include audited financial data of an affiliated building corporation under section 124E.13, subdivision 3, or other component unit.

(e) If the audit report finds that a material weakness exists in the financial reporting systems of a charter school, the charter school must submit a written report to the commissioner explaining how the charter school will resolve that material weakness. An auditor, as a condition of providing financial services to a charter school, must agree to make available information about a charter school's financial audit to the commissioner and authorizer upon request.

Sec. 14. Minnesota Statutes 2020, section 124E.25, subdivision 1a, is amended to read:

Subd. 1a. **School closures; payments.** (a) Notwithstanding subdivision 1 and section 127A.45, for a charter school ceasing operation on or before June 30, for the payment periods occurring after the school ceases serving students, the commissioner shall withhold the estimated state aid owed the school. The charter school board of directors and authorizer must submit to the commissioner a closure plan under chapter ~~308A~~ or 317A, and financial information about the school's liabilities and assets. After receiving the closure plan, financial information, an audit of pupil counts, and documented lease expenditures from the charter school and monitoring special education expenditures, the commissioner may release cash withheld and may continue regular payments up to the current year payment percentages if further amounts are owed. If, based on audits and monitoring, the school received state aid in excess of the amount owed, the commissioner shall retain aid withheld sufficient to eliminate the aid overpayment.

(b) For a charter school ceasing operations before or at the end of a school year, notwithstanding section 127A.45, subdivision 3, the commissioner may make preliminary final payments after the school submits the closure plan, an audit of pupil counts, documented lease expenditures, and Uniform Financial Accounting and Reporting Standards (UFARS) financial data and the commissioner monitors special education expenditures for the final year of operation. The commissioner may make the final payment after receiving audited financial statements under section 123B.77, subdivision 3.

(c) Notwithstanding sections 317A.701 to 317A.791, after closing a charter school and satisfying creditors, remaining cash and investment balances shall be returned by the commissioner to the state general fund.

ARTICLE 5
SPECIAL EDUCATION

Section 1. Minnesota Statutes 2020, section 122A.31, subdivision 1, is amended to read:

Subdivision 1. **Requirements for American sign language/English interpreters.** (a) In addition to any other requirements that a school district establishes, any person employed to provide American sign language/English interpreting or sign transliterating services on a full-time or part-time basis for a school district ~~after July 1, 2000,~~ must:

(1) hold current interpreter ~~and~~ or transliterator certificates awarded by the Registry of Interpreters for the Deaf (RID), or the general level interpreter proficiency certificate awarded by the National Association of the Deaf (NAD), or a comparable state certification from the commissioner of education; ~~and~~

~~(2) satisfactorily complete an interpreter/transliterator training program affiliated with an accredited educational institution; or~~

(2) hold a certified deaf interpreter certification issued by RID.

(b) New graduates of an interpreter/transliterator program affiliated with an accredited education institution or deaf interpreters shall be granted a two-year provisional certificate by the commissioner. During the two-year provisional period, the interpreter/transliterator must develop and implement an education plan in collaboration with a mentor under paragraph (c).

(c) A mentor of a provisionally certified interpreter/transliterator must be an interpreter/transliterator who has either NAD level IV or V certification or RID certified interpreter and certified transliterator certification and have at least three years of interpreting/transliterating experience in any educational setting. The mentor, in collaboration with the provisionally certified interpreter/transliterator, shall develop and implement an education plan designed to meet the requirements of paragraph (a), clause (1), and include a weekly on-site mentoring process.

(d) Consistent with the requirements of this paragraph, a person holding a provisional certificate may apply to the commissioner for one time-limited extension. The commissioner, in consultation with the Commission of the Deaf, DeafBlind and Hard of Hearing, must grant the person a time-limited extension of the provisional certificate based on the following documentation:

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

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

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

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

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

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

Sec. 2. Minnesota Statutes 2020, section 125A.03, is amended to read:

125A.03 SPECIAL INSTRUCTION FOR CHILDREN WITH A DISABILITY.

(a) As defined in paragraph (b), every district must provide special instruction and services, either within the district or in another district, for all children with a disability, including providing required services under Code of Federal Regulations, title 34, section 300.121, paragraph (d), to those children suspended or expelled from school for more than ten school days in that school year, who are residents of the district and who are disabled as set forth in section 125A.02. For purposes of state and federal special education laws, the phrase "special instruction and services" in the state Education Code means a free and appropriate public education provided to an eligible child with disabilities. "Free appropriate public education" means special education and related services that:

- (1) are provided at public expense, under public supervision and direction, and without charge;
- (2) meet the standards of the state, including the requirements of the Individuals with Disabilities Education Act, Part B or C;
- (3) include an appropriate preschool, elementary school, or secondary school education; and
- (4) are provided to children ages three through 21 in conformity with an individualized education program that meets the requirements of the Individuals with Disabilities Education Act, subpart A, sections 300.320 to 300.324, and provided to infants and toddlers in conformity with an individualized family service plan that meets the requirements of the Individuals with Disabilities Education Act, subpart A, sections 303.300 to 303.346.

(b) Notwithstanding any age limits in laws to the contrary, special instruction and services must be provided from birth until ~~July 1 after~~ the child with a disability becomes ~~24~~ 22 years old but shall not extend beyond secondary school or its equivalent, except as provided in section 124D.68, subdivision 2. For the 2022-2023 school year only, special instruction and services must be provided until a child with a disability becomes 23 years old, but shall not extend beyond secondary school or its equivalent, except as provided in section 124D.68, subdivision 2. Local health, education, and social service agencies must refer children under age five who are known to need or suspected of needing special instruction and services to the school district. Districts with less than the minimum number of eligible children with a disability as determined by the commissioner must cooperate with other districts to maintain a full range of programs for education and services for children with a disability. This section does not alter the compulsory attendance requirements of section 120A.22.

(c) At the board's discretion, a school district that participates in a reciprocity agreement with a neighboring state under section 124D.041 may enroll and provide special instruction and services to a child from an adjoining state whose family resides at a Minnesota address as assigned by the United States Postal Service if the district has completed child identification procedures for that child to determine the child's eligibility for special education services, and the child has received developmental screening under sections 121A.16 to 121A.19.

Sec. 3. Minnesota Statutes 2020, section 125A.08, is amended to read:

125A.08 INDIVIDUALIZED EDUCATION PROGRAMS.

(a) At the beginning of each school year, each school district shall have in effect, for each child with a disability, an individualized education program.

(b) As defined in this section, every district must ensure the following:

(1) all students with disabilities are provided the special instruction and services which are appropriate to their needs. Where the individualized education program team has determined appropriate goals and objectives based on the student's needs, including the extent to which the student can be included in the least restrictive environment, and where there are essentially equivalent and effective instruction, related services, or assistive technology devices available to meet the student's needs, cost to the district may be among the factors considered by the team in choosing how to provide the appropriate services, instruction, or devices that are to be made part of the student's individualized education program. The individualized education program team shall consider and may authorize services covered by medical assistance according to section 256B.0625, subdivision 26. Before a school district evaluation team makes a determination of other health disability under Minnesota Rules, part 3525.1335, subparts 1 and 2, item A, subitem (1), the evaluation team must seek written documentation of the student's medically diagnosed chronic or acute health condition signed by a licensed physician or a licensed health care provider acting within the scope of the provider's practice. The student's needs and the special education instruction and services to be provided must be agreed upon through the development of an individualized education program. The program must address the student's need to develop skills to live and work as independently as possible within the community. The individualized education program team must consider positive behavioral interventions, strategies, and supports that address behavior needs for children. During grade 9, the program must address the student's needs for transition from secondary services to postsecondary education and training, employment, community participation, recreation, and leisure and home living. In developing the program, districts must inform parents of the full range of transitional goals and related services that should be considered. The program must include a statement of the needed transition services, including a statement of the interagency responsibilities or linkages or both before secondary services are concluded. If the individualized education program meets the plan components in section 120B.125, the individualized education program satisfies the requirement and no additional transition plan is needed;

(2) children with a disability under age five and their families are provided special instruction and services appropriate to the child's level of functioning and needs;

(3) children with a disability and their parents or guardians are guaranteed procedural safeguards and the right to participate in decisions involving identification, assessment including assistive technology assessment, and educational placement of children with a disability;

(4) eligibility and needs of children with a disability are determined by an initial evaluation or reevaluation, which may be completed using existing data under United States Code, title 20, section 33, et seq.;

(5) to the maximum extent appropriate, children with a disability, including those in public or private institutions or other care facilities, are educated with children who are not disabled, and that special classes, separate schooling, or other removal of children with a disability from the regular educational environment occurs only when and to the extent that the nature or severity of the disability is such that education in regular classes with the use of supplementary services cannot be achieved satisfactorily;

(6) in accordance with recognized professional standards, testing and evaluation materials, and procedures used for the purposes of classification and placement of children with a disability are selected and administered so as not to be racially or culturally discriminatory; and

(7) the rights of the child are protected when the parents or guardians are not known or not available, or the child is a ward of the state.

(c) For all paraprofessionals employed to work in programs whose role in part is to provide direct support to students with disabilities, the school board in each district shall ensure that:

(1) before or beginning at the time of employment, each paraprofessional must develop sufficient knowledge and skills in emergency procedures, building orientation, roles and responsibilities, confidentiality, vulnerability, and reportability, among other things, to begin meeting the needs, especially disability-specific and behavioral needs, of the students with whom the paraprofessional works;

(2) before beginning work alone with an individual student with a disability, the assigned paraprofessional must be either given paid time, or time during the school day, to review a student's individualized education program or be briefed on the student's specific needs by appropriate staff;

~~(2)~~ (3) annual training opportunities are required to enable the paraprofessional to continue to further develop the knowledge and skills that are specific to the students with whom the paraprofessional works, including understanding disabilities, the unique and individual needs of each student according to the student's disability and how the disability affects the student's education and behavior, following lesson plans, and implementing follow-up instructional procedures and activities; ~~and~~

(4) a minimum of 20 hours of paid orientation or professional development must be provided annually to all paraprofessionals, Title I aides, and other instructional support staff. Eight of the 20 hours must be completed before the first instructional day of the school year or within 30 days of hire. The orientation or professional development must be relevant to the employee's occupation and may include collaboration time with classroom teachers and planning for the school year. For paraprofessionals who provide direct support to students, at least 50 percent of the professional development or orientation must be dedicated to meeting the requirements of this section. Professional development for paraprofessionals may also address the requirements of section 120B.363, subdivision 3. A school administrator must provide an annual certification of compliance with this requirement to the commissioner; and

~~(3)~~ (5) a districtwide process obligates each paraprofessional to work under the ongoing direction of a licensed teacher and, where appropriate and possible, the supervision of a school nurse.

(d) A school district may conduct a functional behavior assessment as defined in Minnesota Rules, part 3525.0210, subpart 22, as a stand-alone evaluation without conducting a comprehensive evaluation of the student in accordance with prior written notice provisions in section 125A.091, subdivision 3a. A parent or guardian may request that a school district conduct a comprehensive evaluation of the parent's or guardian's student.

Sec. 4. [125A.755] PARAPROFESSIONAL TRAINING AID.

Beginning in fiscal year 2023, each school district, charter school, and cooperative organization serving pupils is eligible for paraprofessional training aid. Paraprofessional training aid equals \$196 times the number of paraprofessionals, Title I aides, and other instructional support staff employed by the school district, charter school, or cooperative organization during the previous school year. A school district must reserve paraprofessional training aid and spend it only on the training required in section 125A.08.

EFFECTIVE DATE. This section is effective for fiscal year 2023 and later.

Sec. 5. Minnesota Statutes 2020, section 125A.76, subdivision 2e, is amended to read:

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

(b) The cross subsidy aid factor equals ~~2.6 percent for fiscal year 2020 and~~ 6.43 percent for fiscal year 2021 and fiscal year 2022 and 55 percent for fiscal year 2023 and later.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2023 and later.

Sec. 6. Minnesota Statutes 2020, section 127A.45, subdivision 13, is amended to read:

Subd. 13. **Aid payment percentage.** Except as provided in subdivisions 11, 12, 12a, and 14, each fiscal year, all education aids and credits in this chapter and chapters 120A, 120B, 121A, 122A, 123A, 123B, 124D, 124E, 125A, 125B, 126C, 134, and section 273.1392, shall be paid at the current year aid payment percentage of the estimated entitlement during the fiscal year of the entitlement. ~~For the purposes of this subdivision, a district's estimated entitlement for special education aid under section 125A.76 for fiscal year 2014 and later equals 97.4 percent of the district's entitlement for the current fiscal year.~~ The final adjustment payment, according to subdivision 9, must be the amount of the actual entitlement, after adjustment for actual data, minus the payments made during the fiscal year of the entitlement.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2023 and later.

Sec. 7. Laws 2021, First Special Session chapter 13, article 5, section 3, subdivision 2, is amended to read:

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

\$ 1,822,998,000 <u>1,748,169,000</u>	.....	2022
\$ 1,945,533,000 <u>2,353,589,000</u>	.....	2023

The 2022 appropriation includes \$215,125,000 for 2021 and ~~\$1,607,873,000~~ \$1,533,044,000 for 2022.

The 2023 appropriation includes ~~\$226,342,000~~ \$215,808,000 for 2022 and ~~\$1,719,191,000~~ \$2,183,251,000 for 2023.

Sec. 8. **LEGISLATIVE WORKING GROUP ON SPECIAL EDUCATION TUITION BILLING.**

Subdivision 1. Membership; chair. (a) The legislative working group on special education tuition billing must consist of eight members as follows:

(1) four members of the house of representatives, two members appointed by the speaker of the house and two members appointed by the minority leader of the house of representatives; and

(2) four members of the senate, two members appointed by the senate majority leader and two members appointed by the senate minority leader.

(b) Appointing authorities must make appointments by June 15, 2022.

(c) If a vacancy occurs, the appointing authority for the vacated position must fill the vacancy.

(d) The speaker and the majority leader must each designate one working group member from each respective body to serve as chair. The chair must rotate after each meeting. The person appointed as chair by the speaker must convene the first meeting of the working group by June 30, 2022.

Subd. 2. **Duties.** (a) The working group must study requirements and practices relating to tuition billing for special education and general education services provided to a student with a disability by a nonresident school district; cooperative as defined in Minnesota Statutes, section 123A.24, subdivision 2; or charter school, including a charter school that serves a high percentage of students with individualized education programs. The billing costs considered must include special education costs, general education costs, facility costs, and access fees charged by a cooperative to a nonmember school district. The working group must review data from the Department of Education relating to special education services billed to resident school districts, third-party billing data, and other relevant data provided by school districts, cooperatives, charter schools, and families of children with individualized education programs.

(b) The working group must solicit input from the Department of Education, including the School Finance Division, school districts, cooperatives, charter schools, special education school administrators, families of children with individualized education programs, and other interested stakeholders.

(c) The working group must determine what statutory changes to special education billing are necessary to adequately and equitably fund school districts, cooperatives, and charter schools in meeting the needs of students with individualized education programs.

Subd. 3. **Assistance.** (a) The Department of Education must provide the working group with all available data necessary to analyze special education billing costs to school districts, including the effect of potential changes to special education billing requirements.

(b) The Legislative Coordinating Commission must provide technical and administrative assistance to the working group upon request.

Subd. 4. **Recommendations; report.** The working group must issue a report to the governor and chairs and ranking minority members of the legislative committees with jurisdiction over kindergarten through grade 12 education by January 31, 2023.

Subd. 5. **Expiration.** The working group expires February 1, 2023.

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

Sec. 9. **SPECIFIC LEARNING DISABILITY; RULEMAKING.**

(a) The commissioner of education must begin the rulemaking process to amend Minnesota Rules, part 3525.1341, and establish a stakeholder workgroup to review current specific learning disabilities criteria by December 31, 2022. By June 20, 2023, the workgroup must make recommendations aligned with related state and federal requirements, including:

(1) removing discrepancies from criteria;

(2) developing a plan to operationalize changes to criteria to align with current best practices and address concerns of multiple stakeholder groups, including but not limited to administrators, parents, educators, researchers, related services staff, advocates, lawyers, and minority and immigrant groups;

(3) providing definitions and clarification of terms and procedures within existing requirements;

(4) establishing the accountability process, including procedures and targets, for districts and cooperatives to use in evaluating their progress toward implementation of the amended rule; and

(5) developing an evaluation framework for measuring intended and unintended results of amended criteria. Intended and unintended results may include overidentification and underidentification of minorities, delays to referral and identification, transitioning from developmental delay to specific learning disability, consistency of identification across districts and the state, adding unnecessary paperwork, limiting team decision making, or limiting access and progress with intensive and individualized special education support.

(b) Following the development of recommendations from the stakeholder workgroup, the commissioner must proceed with the rulemaking process and recommended alignment with other existing state and federal law completed by June 30, 2024.

(c) Concurrent with rulemaking, the commissioner must establish technical assistance and training capacity on the amended criteria, and training and capacity building must begin upon final approval of the amended rule through June 30, 2029.

(d) The amended rule must go into full effect no later than five years after the proposed revised rules are approved by the administrative law judge.

Sec. 10. **APPROPRIATION.**

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

Subd. 2. **Paraprofessional training.** For compensation associated with paid orientation and professional development for paraprofessionals under Minnesota Statutes, sections 125A.08 and 125A.755:

<u>\$20,352,000</u>	<u>.....</u>	<u>2023</u>
---------------------	--------------	-------------

Sec. 11. **LEGISLATIVE WORKING GROUP.**

\$23,000 in fiscal year 2023 is appropriated from the general fund to the director of the Legislative Coordinating Commission for purposes of section 8.

ARTICLE 6
HEALTH AND SAFETY

Section 1. **[120B.239] SUBSTANCE MISUSE AWARENESS AND PREVENTION.**

Subdivision 1. **Definitions.** (a) For the purposes of this section, the terms defined in this subdivision have the meanings given.

(b) "Public school" means a school district or charter school.

(c) "Substance misuse" has the meaning given in section 254A.02, subdivision 6a.

Subd. 2. **School instruction requirements.** (a) A public school is strongly encouraged to provide substance misuse awareness and prevention instruction at least once to students in grades 6 through 8. A public school must use age-appropriate substance misuse prevention instructional materials. Substance misuse awareness and prevention instruction must include the role of social media in substance misuse and in the distribution of illegal drugs. The instruction may be provided as part of a public school's locally developed health standards and curriculum.

(b) A public school is strongly encouraged to provide substance misuse awareness and prevention instruction to students in grades 9 through 12.

(c) A public school is encouraged to use a peer-to-peer education program to provide substance misuse awareness and prevention instruction.

(d) Instruction provided under this section, including a peer-to-peer education program, must be evidence-based.

Sec. 2. Minnesota Statutes 2020, section 121A.031, subdivision 5, is amended to read:

Subd. 5. **Safe and supportive schools programming.** ~~(a) Districts and schools are encouraged to provide developmentally appropriate programmatic instruction to help students identify, prevent, and reduce prohibited conduct; value diversity in school and society; develop and improve students' knowledge and skills for solving problems, managing conflict, engaging in civil discourse, and recognizing, responding to, and reporting prohibited conduct; and make effective prevention and intervention programs available to students. Upon request, the school safety technical assistance center under section 127A.052 must assist a district or school in helping students understand social media and cyberbullying.~~ Districts and schools must establish strategies for creating a positive school climate and use evidence-based social-emotional learning to prevent and reduce discrimination and other improper conduct.

(b) Districts and schools ~~are encouraged to~~ must:

- (1) engage all students in creating a safe and supportive school environment;
- (2) partner with parents and other community members to develop and implement prevention and intervention programs;
- (3) engage all students and adults in integrating education, intervention, and other remedial responses into the school environment;
- (4) train student bystanders to intervene in and report incidents of prohibited conduct to the school's primary contact person;
- (5) teach students to advocate for themselves and others;
- (6) prevent inappropriate referrals to special education of students who may engage in prohibited conduct; and
- (7) foster student collaborations that foster a safe and supportive school climate.

Sec. 3. Minnesota Statutes 2020, section 121A.031, subdivision 6, is amended to read:

Subd. 6. **State model policy.** (a) The commissioner, in consultation with the commissioner of human rights, shall develop and maintain a state model policy. A district or school that does not adopt and implement a local policy under subdivisions 3 to 5 must implement and may supplement the provisions of the state model policy. The commissioner must assist districts and schools under this subdivision to implement the state policy. The state model policy must:

- (1) define prohibited conduct, consistent with this section;
- (2) apply the prohibited conduct policy components in this section;

(3) for a child with a disability, whenever an evaluation by an individualized education program team or a section 504 team indicates that the child's disability affects the child's social skills development or the child is vulnerable to prohibited conduct because of the child's disability, the child's individualized education program or section 504 plan may address the skills and proficiencies the child needs to not engage in and respond to such conduct; and

(4) encourage violence prevention and character development education programs under section 120B.232, subdivision 1.

(b) The commissioner shall develop and post departmental procedures for:

(1) periodically reviewing district and school programs and policies for compliance with this section, including evidence-based social-emotional learning;

(2) investigating, reporting, and responding to noncompliance with this section, which may include an annual review of plans to improve and provide a safe and supportive school climate; and

(3) allowing students, parents, and educators to file a complaint about noncompliance with the commissioner.

(c) The commissioner must post on the department's website information indicating that when districts and schools allow non-curriculum-related student groups access to school facilities, the district or school must give all student groups equal access to the school facilities regardless of the content of the group members' speech.

(d) The commissioner must develop and maintain resources to assist a district or school in implementing strategies for creating a positive school climate and use evidence-based, social-emotional learning to prevent and reduce discrimination and other improper conduct.

(e) The commissioner must develop and adopt state-level social-emotional learning standards.

Sec. 4. **[121A.0312] MALICIOUS AND SADISTIC CONDUCT.**

(a) A school board must adopt a written policy to address malicious and sadistic conduct involving race, gender, religion, disability, sexual harassment, sexual orientation, and sexual exploitation by a district or school staff member or student enrolled in a public or charter school against another staff member or student that occurs as described in section 121A.031, subdivision 1.

(b) The policy shall apply to students, teachers, administrators, and other school personnel, and include at a minimum the components under section 121A.031, subdivision 4, paragraph (a), and disciplinary actions that will be taken for violation of the policy. Disciplinary actions must conform with collective bargaining agreements and sections 121A.41 to 121A.56.

(c) The policy must be conspicuously posted throughout each school building, given to each district employee and independent contractor at the time of entering into the person's employment contract, and included in each school's student handbook on school policies. Each school must develop a process for discussing the school's policy addressing malicious and sadistic conduct involving race, gender, religion, disability, sexual harassment, sexual orientation, and sexual exploitation with students, parents of students, and school employees.

(d) For purposes of this section, "malicious and sadistic conduct" means creating a hostile learning environment by acting with the intent to cause harm by intentionally injuring another without just cause or reason or engaging in extreme or excessive cruelty or delighting in cruelty.

Sec. 5. **[121A.07] CHILD ABUSE HOTLINE NUMBER.**

(a) To the extent funds or in-kind contributions are available under paragraph (b), a school board or charter school must display in a conspicuous place in each school building an easily readable durable poster of the national child abuse hotline number or otherwise communicate to students notice of the national child abuse hotline number.

(b) A school board or charter school may accept nonpublic funds or in-kind contributions to implement this section.

Sec. 6. **[121A.224] OPIATE ANTAGONISTS.**

(a) A school district or charter school may maintain a supply of opiate antagonists, as defined in section 604A.04, subdivision 1, at each school site to be administered in compliance with section 151.37, subdivision 12.

(b) A school district or charter school may enter into arrangements with suppliers of opiate antagonists to obtain opiate antagonists at fair-market, free, or reduced prices. A third party, other than a supplier, may pay for a school's supply of opiate antagonists.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 7. **[121A.245] MENTAL HEALTH SCREENING.**

Subdivision 1. **Screening required.** A school district or charter school must develop a plan to conduct evidence-based mental health screenings on students in kindergarten through grade 12. This requirement applies to a district or charter school that has received funding under section 124D.901 to hire student support services personnel.

Subd. 2. **Parent notice.** (a) A district or charter school must notify a student's parent of the plan to conduct the screening, including the purpose of the screening and when the screening will be conducted. A district or charter school must not conduct a mental health screening on a student whose parent has not consented to the screening. "Parent" as used in this section has the meaning provided in section 120A.22, subdivision 3.

(b) If the results of a student's screening indicate a potential mental health condition, the district or charter school must notify the student's parent of the results and provide the parent a copy of the results and a list of resources available to the student in the school or community.

Subd. 3. **Commissioner assistance.** The commissioner of education may provide districts or charter schools with sample mental health screenings and other resources to assist them with implementing mental health screenings under this section.

Subd. 4. **Screening data.** (a) A school district or charter school must not use the results of mental health screenings to make any decision relating to the student's instruction, academic opportunities, or student discipline.

(b) Records relating to mental health screenings must be maintained in accordance with the Data Practices Act under chapter 13 and the Family Educational Rights and Privacy Act of 1974, United States Code, title 20, section 1232(g).

(c) Notwithstanding section 138.17, mental health screening data collected by a school district or charter school under this section must be destroyed the earlier of:

(1) the district or charter school notifying the student's parent of the results and resources available to the student in the school or community in accordance with subdivision 2; or

(2) 60 days from the date of collection.

Subd. 5. **Intermediate school districts and other cooperative units.** For purposes of this section, "school district" includes programs serving school-age children operated by an intermediate school district or other cooperative unit defined in section 123A.24, subdivision 2.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 8. **[124D.901] STUDENT SUPPORT PERSONNEL AID.**

Subdivision 1. **Definitions.** For the purposes of this section, the following terms have the meanings given:

(1) "new position" means a student support services personnel full-time or part-time position not under contract by a school district, charter school, or cooperative unit at the start of the 2021-2022 school year; and

(2) "student support services personnel" means an individual licensed to serve as a school counselor, school psychologist, school social worker, school nurse, or chemical dependency counselor in Minnesota.

Subd. 2. **Purpose.** The purpose of student support personnel aid is to:

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

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

(3) ensure that students receive effective student support services and integrated and comprehensive services to improve prekindergarten through grade 12 academic, physical, social, and emotional outcomes supporting career and college readiness and effective school mental health services;

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

(5) fully integrate learning supports, instruction, assessment, data-based decision making, and family and community engagement within a comprehensive approach that facilitates interdisciplinary collaboration; and

(6) improve student health, school safety, and school climate to support academic success and career and college readiness.

Subd. 3. **Aid eligibility and application.** A school district, charter school, intermediate school district, or other cooperative unit is eligible to apply for student support personnel aid under this section. The commissioner must prescribe the form and manner of the application, which must include a plan describing how the aid will be used.

Subd. 4. **Student support personnel aid.** (a) The initial student support personnel aid for a school district equals the greater of \$100 times the adjusted pupil units at the district for the current fiscal year or \$50,000. The initial student support personnel aid for a charter school equals \$100 times the adjusted pupil units at the charter school for the current fiscal year.

(b) The cooperative student support personnel aid for a school district that is a member of an intermediate school district or other cooperative unit that enrolls students equals \$6 times the adjusted pupil units at the district for the current fiscal year. If a district is a member of more than one cooperative unit that enrolls students, the revenue must be allocated among the cooperative units.

(c) Notwithstanding paragraphs (a) and (b), the student support personnel aid must not exceed the district or cooperative unit's actual expenditure according to the approved plan under subdivision 3.

Subd. 5. **Allowed uses; match requirements.** (a) Cooperative student support personnel aid must be transferred to the intermediate district or other cooperative unit of which the district is a member and used to hire new positions for student support services personnel at the intermediate district or cooperative unit.

(b) If a school district, charter school, or cooperative unit does not receive at least two applications and is not able to hire a new full-time equivalent position with student support personnel aid, the aid may be used for contracted services from individuals licensed to serve as a school counselor, school psychologist, school social worker, school nurse, or chemical dependency counselor in Minnesota.

Subd. 6. **Support personnel pipeline.** An account is established in the special revenue fund known as the "school support personnel pipeline account." Funds appropriated for the school support personnel pipeline program must be transferred to the school support personnel pipeline account in the special revenue fund. Money in the account is appropriated to the commissioner for developing a student support personnel workforce pipeline focused on workforce development strategies to increase providers of color and Indigenous providers, professional respecialization, recruitment, and retention; to increase the number of student support personnel providing school-based services; and to provide a licensed school nurse position at the Department of Education.

Subd. 7. **Report required.** By February 1 following any fiscal year in which student support personnel aid was received, a school district, charter school, or cooperative unit must submit a written report to the commissioner indicating how the new position affected two or more of the following measures:

(1) school climate;

(2) student health;

(3) attendance rates;

(4) academic achievement;

(5) career and college readiness; and

(6) postsecondary completion rates.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2023 and later.

Sec. 9. **[127A.21] COMPREHENSIVE SCHOOL MENTAL HEALTH SERVICES LEADS.**

Subdivision 1. **Lead position established.** The department must employ two leads to serve as a source of information and support for schools in addressing the mental health needs of students, teachers, and school staff, and developing comprehensive school mental health systems in school districts and charter schools. One lead must work on addressing the mental health needs of students and the other lead must work on addressing the mental health needs of teachers and other school staff.

Subd. 2. **Assistance to districts.** (a) The leads must, upon request, assist schools in assessing the quality of their comprehensive school mental health systems and developing improvement plans to implement evidence-based mental health resources, tools, and practices in school districts and charter schools throughout Minnesota.

(b) The leads must establish a clearinghouse and provide information and resources for school districts, charter schools, teachers, and families to support students', teachers', and school staff's mental health needs.

(c) The leads must work with school districts and charter schools to improve mental health infrastructure support by:

(1) developing guidance and sharing resources on improving the quality of comprehensive school mental health systems;

(2) developing and sharing resources on evidence-based strategies, behavioral interventions, and practices or techniques for addressing mental health needs, including implementing a comprehensive approach to suicide prevention;

(3) facilitating coordination and cooperation to enable school districts and charter schools to share strategies, challenges, and successes associated with supporting the mental health needs of students, teachers, and staff;

(4) providing advice, upon request, to schools on implementing trauma-informed and culturally responsive school-based programs that provide prevention or intervention services to students, teachers, and staff;

(5) aligning resources among the different state agencies, including the Department of Education, Department of Human Services, and Department of Health, to ensure school mental health systems can efficiently access state resources; and

(6) maintaining a comprehensive list of resources on the Department of Education website that schools may use to address students', teachers', and staff's mental health needs, including grant opportunities; community-based prevention and intervention services; model policies; written publications that schools may distribute to students, teachers, and staff; professional development opportunities; best practices; and other resources for mental health education under section 120B.21.

(d) The leads may report to the legislature as necessary regarding students', teachers', and school staff's mental health needs, challenges in developing comprehensive school mental health services, successful strategies and outcomes, and recommendations for integrating mental health services and supports in schools.

Subd. 3. **Coordination with other agencies.** The comprehensive school mental health services lead must consult with the Regional Centers of Excellence, the Department of Health, the Department of Human Services, the Minnesota School Safety Center, and other federal, state, and local agencies as necessary to identify or develop information, training, and resources to help school districts and charter schools support students', teachers', and school staff's mental health needs.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 10. **APPROPRIATIONS.**

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

Subd. 2. **Comprehensive school mental health services leads.** (a) For the comprehensive school mental health services lead under Minnesota Statutes, section 127A.21:

<u>\$226,000</u>	<u>.....</u>	<u>2023</u>
------------------	--------------	-------------

(b) The base for fiscal year 2024 and later is \$301,000.

~~the district would have qualified for under Minnesota Statutes 2014, section 123B.57, Minnesota Statutes 2014, section 123B.59, and Minnesota Statutes 2014, section 123B.591, and (ii) for a school district with an approved voluntary prekindergarten program under section 124D.151, the cost approved by the commissioner for remodeling existing instructional space to accommodate prekindergarten instruction.~~

~~(b) For fiscal year 2018 only, long term facilities maintenance revenue equals the greater of (1) the sum of (i) \$292 times the district's adjusted pupil units times the lesser of one or the ratio of the district's average building age to 35 years, plus (ii) the cost approved by the commissioner for indoor air quality, fire alarm and suppression, and asbestos abatement projects under section 123B.57, subdivision 6, with an estimated cost of \$100,000 or more per site, plus (iii) for a school district with an approved voluntary prekindergarten program under section 124D.151, the cost approved by the commissioner for remodeling existing instructional space to accommodate prekindergarten instruction, or (2) the sum of (i) the amount the district would have qualified for under Minnesota Statutes 2014, section 123B.57, Minnesota Statutes 2014, section 123B.59, and Minnesota Statutes 2014, section 123B.591, and (ii) for a school district with an approved voluntary prekindergarten program under section 124D.151, the cost approved by the commissioner for remodeling existing instructional space to accommodate prekindergarten instruction.~~

~~(e) (a) For fiscal year 2019 2022 and later, long-term facilities maintenance revenue equals the greater of (1) the sum of (i) \$380 the long-term facilities maintenance allowance times the district's adjusted pupil units times the lesser of one or the ratio of the district's average building age to 35 years, plus district's building age index, (ii) the cost approved by the commissioner for indoor air quality, fire alarm and suppression, and asbestos abatement projects under section 123B.57, subdivision 6, with an estimated cost of \$100,000 or more per site, plus and (iii) for a school district with an approved voluntary prekindergarten program under section 124D.151, the cost approved by the commissioner for remodeling existing instructional space to accommodate prekindergarten instruction, or (2) the sum of (i) the amount the district would have qualified for under Minnesota Statutes 2014, section 123B.57, Minnesota Statutes 2014, section 123B.59, and Minnesota Statutes 2014, section 123B.591, and (ii) for a school district with an approved voluntary prekindergarten program under section 124D.151, the cost approved by the commissioner for remodeling existing instructional space to accommodate prekindergarten instruction.~~

~~(d) (b) Notwithstanding paragraphs paragraph (a), (b), and (c), a school district that qualified for eligibility under Minnesota Statutes 2014, section 123B.59, subdivision 1, paragraph (a), for fiscal year 2010 remains eligible for funding under this section as a district that would have qualified for eligibility under Minnesota Statutes 2014, section 123B.59, subdivision 1, paragraph (a), for fiscal year 2017 and later.~~

~~(c) For purposes of this section, a district's building age index for fiscal years 2022 and 2023 equals the lesser of one or the ratio of the district's average building age to 35. For fiscal year 2024 and later, a district's building age index equals one.~~

~~(d) The long-term facilities maintenance allowance is \$380 for fiscal years 2022 and 2023. For fiscal year 2024 and later, the long-term facilities maintenance allowance equals the product of \$380 times the ratio of the formula allowance under section 126C.10, subdivision 2, for the current fiscal year to the formula allowance under section 126C.10, subdivision 2, for fiscal year 2023.~~

~~Subd. 2. Long-term facilities maintenance revenue for a charter school. (a) For fiscal year 2017 only, long term facilities maintenance revenue for a charter school equals \$34 times the adjusted pupil units.~~

~~(b) For fiscal year 2018 only, long term facilities maintenance revenue for a charter school equals \$85 times the adjusted pupil units.~~

~~(c) For fiscal year 2019 and later, (a) Long-term facilities maintenance revenue for a charter school equals \$132 charter school longterm facilities maintenance allowance times the adjusted pupil units.~~

(b) The charter school long-term facilities maintenance allowance is \$132 for fiscal years 2022 and 2023. For fiscal year 2024 and later, the charter school long-term facilities maintenance allowance equals the product of \$132 times the ratio of the formula allowance under section 126C.10, subdivision 2, for the current fiscal year to the formula allowance under section 126C.10, subdivision 2, for fiscal year 2023.

Subd. 3. **Intermediate districts and other cooperative units.** Upon approval through the adoption of a resolution by each member district school board of an intermediate district or other cooperative units under section 123A.24, subdivision 2, and the approval of the commissioner of education, a school district may include in its authority under this section a proportionate share of the long-term maintenance costs of the intermediate district or cooperative unit. The cooperative unit may issue bonds to finance the project costs or levy for the costs, using long-term maintenance revenue transferred from member districts to make debt service payments or pay project costs. Authority under this subdivision is in addition to the authority for individual district projects under subdivision 1.

Subd. 4. **Facilities plans.** (a) To qualify for revenue under this section, a school district or intermediate district, not including a charter school, must have a ten-year facility plan adopted by the school board and approved by the commissioner. The plan must include provisions for implementing a health and safety program that complies with health, safety, and environmental regulations and best practices, including indoor air quality management and remediation of lead hazards.

(b) The district must annually update the plan, submit the plan to the commissioner for approval by July 31, and indicate whether the district will issue bonds to finance the plan or levy for the costs.

(c) For school districts issuing bonds to finance the plan, the plan must include a debt service schedule demonstrating that the debt service revenue required to pay the principal and interest on the bonds each year will not exceed the projected long-term facilities revenue for that year.

Subd. 5. **Bond authorization.** (a) A school district may issue general obligation bonds under this section to finance facilities plans approved by its board and the commissioner. Chapter 475, except sections 475.58 and 475.59, must be complied with. The authority to issue bonds under this section is in addition to any bonding authority authorized by this chapter or other law. The amount of bonding authority authorized under this section must be disregarded in calculating the bonding or net debt limits of this chapter, or any other law other than section 475.53, subdivision 4.

(b) At least 20 days before the earliest of the issuance of bonds or the final certification of levies under subdivision 6, the district must publish notice of the intended projects, the amount of the bond issue, and the total amount of district indebtedness.

(c) The portion of revenue under this section for bonded debt must be recognized in the debt service fund.

Subd. 6. **Levy authorization.** A district may levy for costs related to an approved plan under subdivision 4 as follows:

(1) if the district has indicated to the commissioner that bonds will be issued, the district may levy for the principal and interest payments on outstanding bonds issued under subdivision 5 after reduction for any aid receivable under subdivision 9;

(2) if the district has indicated to the commissioner that the plan will be funded through levy, the district may levy according to the schedule approved in the plan after reduction for any aid receivable under subdivision 9; or

(3) if the debt service revenue for a district required to pay the principal and interest on bonds issued under subdivision 5 exceeds the district's long-term facilities maintenance revenue for the same fiscal year, the district's general fund levy must be reduced by the amount of the excess.

Subd. 7. **Long-term facilities maintenance equalization revenue.** ~~(a) For fiscal year 2017 only, a district's long-term facilities maintenance equalization revenue equals the lesser of (1) \$193 times the adjusted pupil units or (2) the district's revenue under subdivision 1.~~

~~(b) For fiscal year 2018 only, a district's long-term facilities maintenance equalization revenue equals the lesser of (1) \$292 times the adjusted pupil units or (2) the district's revenue under subdivision 1.~~

~~(c)~~ (a) For fiscal year ~~2019~~ 2022 and later, a district's long-term facilities maintenance equalization revenue equals the lesser of (1) ~~\$380~~ the long-term facilities maintenance allowance times the adjusted pupil units or (2) the district's revenue under subdivision 1.

~~(d)~~ (b) Notwithstanding ~~paragraphs~~ paragraph (a) ~~to (c)~~, a district's long-term facilities maintenance equalization revenue must not be less than the lesser of the district's long-term facilities maintenance revenue or the amount of aid the district received for fiscal year 2015 under Minnesota Statutes 2014, section 123B.59, subdivision 6.

Subd. 8. **Long-term facilities maintenance equalized levy.** ~~(a) For fiscal year 2017 and later,~~ A district's long-term facilities maintenance equalized levy equals the district's long-term facilities maintenance equalization revenue minus the greater of:

(1) the lesser of the district's long-term facilities maintenance equalization revenue or the amount of aid the district received for fiscal year 2015 under Minnesota Statutes 2014, section 123B.59, subdivision 6; or

(2) the district's long-term facilities maintenance equalization revenue times the greater of (i) zero or (ii) one minus the ratio of its adjusted net tax capacity per adjusted pupil unit in the year preceding the year the levy is certified to ~~123~~ 128.7 percent of the state average adjusted net tax capacity per adjusted pupil unit for all school districts in the year preceding the year the levy is certified.

(b) For purposes of this subdivision, "adjusted net tax capacity" means the value described in section 126C.01, subdivision 2, paragraph (b).

Subd. 8a. **Long-term facilities maintenance unequalized levy.** ~~For fiscal year 2017 and later,~~ A district's long-term facilities maintenance unequalized levy equals the difference between the district's revenue under subdivision 1 and the district's equalization revenue under subdivision 7.

Subd. 9. **Long-term facilities maintenance equalized aid.** ~~For fiscal year 2017 and later,~~ A district's long-term facilities maintenance equalized aid equals its long-term facilities maintenance equalization revenue minus its long-term facilities maintenance equalized levy times the ratio of the actual equalized amount levied to the permitted equalized levy.

Subd. 10. **Allowed uses for long-term facilities maintenance revenue.** (a) A district may use revenue under this section for any of the following:

- (1) deferred capital expenditures and maintenance projects necessary to prevent further erosion of facilities;
- (2) increasing accessibility of school facilities;
- (3) health and safety capital projects under section 123B.57; ~~or~~

(4) by board resolution, to transfer money from the general fund reserve for long-term facilities maintenance to the debt redemption fund to pay the amounts needed to meet, when due, principal and interest on general obligation bonds issued under subdivision 5; or

(5) by annual board resolution, to transfer money from the general fund reserve for long-term facilities maintenance to the reserve for operating capital.

(b) A charter school may use revenue under this section for any purpose related to the school.

Subd. 11. **Restrictions on long-term facilities maintenance revenue.** Notwithstanding subdivision 10, long-term facilities maintenance revenue may not be used:

(1) for the construction of new facilities, remodeling of existing facilities, or the purchase of portable classrooms;

(2) to finance a lease purchase agreement, installment purchase agreement, or other deferred payments agreement;

(3) for energy-efficiency projects under section 123B.65, for a building or property or part of a building or property used for postsecondary instruction or administration, or for a purpose unrelated to elementary and secondary education; or

(4) for violence prevention and facility security, ergonomics, or emergency communication devices.

Subd. 12. **Reserve account.** The portion of long-term facilities maintenance revenue not recognized under subdivision 5, paragraph (c), must be maintained in a reserve account within the general fund.

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

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

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

\$ 408,582,000 <u>107,837,000</u>	. . . . .	2022
\$ 441,077,000 <u>110,014,000</u>	. . . . .	2023

The 2022 appropriation includes \$10,660,000 for 2021 and ~~\$97,922,000~~ \$97,177,000 for 2022.

The 2023 appropriation includes ~~\$10,880,000~~ \$10,797,000 for 2022 and ~~\$100,197,000~~ \$99,217,000 for 2023.

Sec. 3. **FUND TRANSFER; BURNSVILLE-EAGAN-SAVAGE SCHOOL DISTRICT.**

(a) Notwithstanding Minnesota Statutes, section 123B.51, subdivision 4, paragraph (b), or any law to the contrary, any remaining net proceeds received by Independent School District No. 191, Burnsville-Eagan-Savage, in connection with a lease of real property that is not needed for school purposes, or part of the property that is not needed for school purposes permitted under Minnesota Statutes, section 123B.51, subdivision 4, paragraph (a), which property the school board of the district has specifically identified in its open facilities action plan, may be deposited in the district's general unrestricted fund following the deposit of such proceeds in the debt retirement fund of the district in an amount sufficient to meet, when due, that percentage of the principal and interest payments for outstanding bonds that is ascribable to the payment of expenses necessary and incidental to the construction or purchase of the particular building or property that is leased.

(b) Notwithstanding Minnesota Statutes, section 123B.51, subdivision 6, paragraphs (c) to (f), or any law to the contrary, any remaining proceeds of the sale or exchange of school buildings or real property of Independent School District No. 191, Burnsville-Eagan-Savage, specifically identified in the district's open facilities action plan, may be deposited in the district's general unrestricted fund following application of such proceeds, as required under Minnesota Statutes, section 123B.51, subdivision 6, paragraph (b).

EFFECTIVE DATE. This section is effective upon compliance by Independent School District No. 191, Burnsville-Eagan-Savage, with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

Sec. 4. LEASE LEVY FOR TRANSPORTATION HUB FOR EASTERN CARVER COUNTY SCHOOL DISTRICT.

Notwithstanding Minnesota Statutes, section 126C.40, subdivision 1, Independent School District No. 112, Eastern Carver County Schools, may lease a transportation hub under Minnesota Statutes, section 126C.40, subdivision 1, if the district demonstrates to the satisfaction of the commissioner of education that the transportation hub will result in significant financial savings for the school district. Levy authority under this section must not exceed the total levy authority under Minnesota Statutes, section 126C.40, subdivision 1, paragraph (e).

EFFECTIVE DATE. This section is effective for taxes payable in 2023 and later.

ARTICLE 8
NUTRITION AND LIBRARIES

Section 1. **[124D.1112]COMMUNITY ELIGIBILITY PROVISION PARTICIPATION; TECHNICAL ASSISTANCE; COMPENSATORY REVENUE ADJUSTMENT.**

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

(b) "Community eligibility provision" means the reimbursement option available for the national school lunch program and national school breakfast program, as defined under Code of Federal Regulations, title 7, section 245.9.

(c) "Community-eligibility qualifying school" means a school that, as determined by the Department of Education by April 1 of each year, meets the eligibility criteria specified in Code of Federal Regulations, title 7, section 245.9, for participation in the community eligibility provision. A school meets the eligibility criteria if the department determines it qualifies to do so as an individual school, as part of an entire local educational agency, or as part of a group of schools within a local educational agency, as defined under Code of Federal Regulations, title 7, section 245.9(f).

(d) "Full-reimbursement qualifying school" means a community-eligibility qualifying school that, as determined by the department by April 1 of each year, has an identified student percentage sufficient to allow the school to claim reimbursement through the community eligibility provision at the applicable federal free rate for all meals served within the school as part of the national school lunch program and national school breakfast program. A school satisfies this definition if the department determines that it meets the criteria as an individual school, part of an entire local educational agency, or part of a group of schools within a local educational agency, as defined under Code of Federal Regulations, title 7, section 245.9(f).

(e) "Identified student" and "identified student percentage" have the meanings as defined under Code of Federal Regulations, title 7, section 245.9.

(f) "Local educational agency" has the meaning as defined under Code of Federal Regulations, title 7, section 245.2.

(g) "National school breakfast program" means the nonprofit breakfast program established by section 4 of the Child Nutrition Act of 1966, as defined under United States Code, title 42, section 1773.

(h) "National school lunch program" means the nonprofit lunch program established under the Richard B. Russell National School Lunch Act, as defined under United States Code, title 42, section 1751, et seq.

Subd. 2. **Purpose.** The purposes of this section are to leverage federal funding through the community eligibility provision to support students in achieving their academic potential, provide students with increased access to nutritious options while they are developing lifelong eating habits, and reduce stigma associated with receiving free school meals and ensure that a school site's compensatory revenue is not negatively affected by the school's participation in the community eligibility provision program.

Subd. 3. **Department duties.** (a) In addition to fulfilling any other applicable state and federal requirements, the department must provide to each local educational agency a list of schools as defined under Code of Federal Regulations, title 7, section 245.9(f)(5), within the prescribed time frame, and must gather the information necessary to compile this list. A local education agency is exempt from the requirement to submit this information to the state.

(b) A community-eligible qualifying school, whether eligible for full or partial federal funding, must participate in the community eligibility provision program. Within the time frames established in paragraph (a), by April 1 of each year, the department must notify each local education agency of its qualifying school sites and, for sites eligible for partial federal funding, calculate and notify the local education agency of the state aid contribution for each site to ensure the site receives full funding for the national school breakfast and lunch program meals served by the site to its students.

(c) The department must ensure appropriate reimbursement rates for schools and districts using the community eligibility provision.

(d) If a school or district is ineligible to receive reimbursement through the community eligibility provision, the department must assist the school or district, if feasible, in achieving eligibility.

(e) The department must conduct an annual review to identify local educational agencies that have not fully complied with subdivision 5 and provide notification of that determination to the relevant local educational agencies within 30 days of making that determination.

Subd. 4. **Technical assistance.** The department must provide technical assistance to a local educational agency with one or more community-eligibility qualifying schools to assist them in meeting any state and federal requirements necessary in order to receive reimbursement through the community eligibility provision.

Subd. 5. **Community eligibility provision; required participation; exemption.** (a) Except as provided otherwise by this section, effective in the 2023-2024 school year and every school year thereafter, each community-eligibility qualifying school must participate in the community eligibility provision in the subsequent school year and throughout the duration of the community eligibility provision's four-year cycle.

(b) Schools that, through an arrangement with a local entity, provide meals to all students and at no cost to the students are exempt from the requirements of this section.

Subd. 6. **Reporting obligations for noncompliant full-reimbursement qualifying schools.** A local agency with one or more schools that qualify for full reimbursement that fails to comply with subdivision 5 must respond to a notification of noncompliance from the department within 60 days of receipt of the notification. The response must include a report available to the local school board and the public on any obstacles to participation that contributed to the noncompliance and plans to ensure compliance for the following school year.

Sec. 2. Minnesota Statutes 2020, section 124D.119, is amended to read:

124D.119 SUMMER FOOD SERVICE REPLACEMENT AID PROGRAM AND CHILD AND ADULT CARE FOOD PROGRAM.

Subdivision 1. **Summer Food Service Program replacement aid.** States State funds are available to compensate department-approved Summer Food Service Program sponsors. Reimbursement shall be made on December 15 based on total meals served by each sponsor from the end of the school year to the beginning of the next school year on a pro rata basis.

Subd. 2. **Child and Adult Care Food Program and Summer Food Service Program sponsor organizations.** Legally distinct Child and Adult Care Food Program and Summer Food Service Program sites may transfer sponsoring organizations no more than once per year, except under extenuating circumstances including termination of the sponsoring organization's agreement or other circumstances approved by the Department of Education.

Subd. 3. **Child and Adult Care Food Program and Summer Food Service Program training.** Prior to applying to sponsor a Child and Adult Care Food Program or Summer Food Service Program site, a nongovernmental organization applicant must provide documentation to the Department of Education verifying that staff members have completed program-specific training as designated by the commissioner.

Subd. 4. **Summer Food Service Program locations.** Consistent with Code of Federal Regulations, title 7, section 225.6(d)(1)(ii), the Department of Education must not approve a new Summer Food Service Program open site that is within a half-mile radius of an existing Summer Food Service Program open site, except the department may approve a new Summer Food Service Program open site within a half-mile radius if the new program will not be serving the same group of children for the same meal type.

Sec. 3. **[124D.901] SCHOOL LIBRARIES AND MEDIA CENTERS.**

A school district or charter school library or school library media center provides equitable and free access to students, teachers, and administrators. A school library or school library media center is defined as having the following characteristics:

(1) ensures every student has equitable access to resources and is able to locate, access, and use resources that are organized and cataloged;

(2) has a collection development plan that includes but is not limited to materials selection and de-selection, a challenged materials procedure, and an intellectual and academic freedom statement;

(3) is housed in a central location that provides an environment for expanded learning and supports a variety of student interests;

(4) has technology and Internet access; and

(5) is served by a licensed school library media specialist or licensed school librarian.

Sec. 4. Minnesota Statutes 2021 Supplement, section 126C.05, subdivision 3, is amended to read:

Subd. 3. **Compensation revenue pupil units.** Compensation revenue pupil units must be computed according to this subdivision.

(a) The compensation revenue concentration percentage for each building in a district equals the product of 100 times the ratio of:

(1) the sum of the number of pupils enrolled in the building eligible to receive free ~~lunch meals~~ plus one-half of the pupils eligible to receive ~~reduced-priced lunch~~ reduced-price meals on October 1 of the previous fiscal year; to

(2) the number of pupils enrolled in the building on October 1 of the previous fiscal year.

(b) The compensation revenue pupil weighting factor for a building equals the lesser of one or the quotient obtained by dividing the building's compensation revenue concentration percentage by 80.0.

(c) The compensation revenue pupil units for a building equals the product of:

(1) the sum of the number of pupils enrolled in the building eligible to receive free ~~lunch meals~~ and one-half of the pupils eligible to receive ~~reduced-priced lunch~~ reduced-price meals on October 1 of the previous fiscal year; times

(2) the compensation revenue pupil weighting factor for the building; times

(3) .60.

(d) Notwithstanding paragraphs (a) to (c), for voluntary prekindergarten programs under section 124D.151, charter schools, and contracted alternative programs in the first year of operation, compensation revenue pupil units shall be computed using data for the current fiscal year. If the voluntary prekindergarten program, charter school, or contracted alternative program begins operation after October 1, compensatory revenue pupil units shall be computed based on pupils enrolled on an alternate date determined by the commissioner, and the compensation revenue pupil units shall be prorated based on the ratio of the number of days of student instruction to 170 days.

~~(e) Notwithstanding paragraphs (a) to (c), for voluntary prekindergarten seats discontinued in fiscal year 2024 due to the reduction in the participation limit under section 124D.151, subdivision 6, those discontinued seats must not be used to calculate compensation revenue pupil units for fiscal year 2024.~~

~~(e)~~ (e) The percentages in this subdivision must be based on the count of individual pupils and not on a building average or minimum.

(f) For fiscal year 2023 and later, for a school participating in the community eligibility provision program or special assistance program under section 11(a)(1) of the Richard B. Russell National School Lunch Act, United States Code, title 42, section 1759a, compensatory revenue under section 126C.10, subdivision 3, equals the greatest of the amount determined using:

(1) the pupil counts according to paragraphs (a) to (f) for the year specified;

(2) the pupil counts for the year specified in paragraphs (b) to (f) and the compensation revenue concentration percentages from paragraph (a) for the pupil count from the fall of 2019; or

(3) the pupil counts for the year specified in paragraphs (b) to (f) and the compensation revenue concentration percentages from paragraph (a) for the pupil count from the fall of the year preceding the school's participation in the four-year community eligibility provision program.

Sec. 5. Minnesota Statutes 2020, section 134.31, subdivision 1, is amended to read:

Subdivision 1. **Library service.** The state shall, as an integral part of its responsibility for public education, support the provision of library service for every ~~citizen~~ resident, the development of cooperative programs for the sharing of resources and services among all libraries, and the establishment of jointly operated library services at a single location where appropriate.

Sec. 6. Minnesota Statutes 2020, section 134.31, subdivision 4a, is amended to read:

Subd. 4a. **Services to people with visual and physical disabilities.** The Minnesota Department of Education shall provide specialized services to people with visual and physical disabilities through the Minnesota Braille and Talking Book Library under a cooperative plan with the National Library ~~Services~~ Service for the Blind and ~~Physically Handicapped of the Library of Congress~~ Print Disabled.

Sec. 7. Minnesota Statutes 2020, section 134.32, subdivision 4, is amended to read:

Subd. 4. **Special project grants.** It may provide special project grants to assist innovative and experimental library programs including, but not limited to, special services for American Indians and ~~the Spanish speaking~~ English language learners, delivery of library materials to homebound persons, other extensions of library services to persons without access to libraries and projects to strengthen and improve library services.

Sec. 8. Minnesota Statutes 2020, section 134.34, subdivision 1, is amended to read:

Subdivision 1. **Local support levels.** (a) Regional library basic system support aid shall be provided to any regional public library system where there are at least three participating counties and where each participating city and county is providing for public library service support the lesser of (a) an amount equivalent to .82 percent of the average of the adjusted net tax capacity of the taxable property of that city or county, as determined by the commissioner of revenue for the second, third, and fourth year preceding that calendar year or (b) a per capita amount calculated under the provisions of this subdivision. The per capita amount is established for calendar year 1993 as \$7.62. In succeeding calendar years, the per capita amount shall be increased by a percentage equal to one-half of the percentage by which the total state adjusted net tax capacity of property as determined by the commissioner of revenue for the second year preceding that calendar year increases over that total adjusted net tax capacity for the third year preceding that calendar year.

(b) The minimum level of support specified under this subdivision or subdivision 4 shall be certified annually to the participating cities and counties by the Department of Education. If a city or county chooses to reduce its local support in accordance with subdivision 4, paragraph (b) or (c), it shall notify its regional public library system. The regional public library system shall notify the Department of Education that a revised certification is required. The revised minimum level of support shall be certified to the city or county by the Department of Education.

(c) A city which is a part of a regional public library system shall not be required to provide this level of support if the property of that city is already taxable by the county for the support of that regional public library system. In no event shall the Department of Education require any city or county to provide a higher level of support than the level of support specified in this section in order for a system to qualify for regional library basic system support aid. This section shall not be construed to prohibit a city or county from providing a higher level of support for public libraries than the level of support specified in this section.

(d) The amounts required to be expended under this section are subject to the reduced maintenance of effort requirements in section 275.761.

Sec. 9. Minnesota Statutes 2020, section 134.355, subdivision 5, is amended to read:

Subd. 5. **Base aid distribution.** ~~Five~~ Fifteen percent of the available aid funds shall be paid to each system as base aid for basic system services.

EFFECTIVE DATE. This section is effective for state aid for fiscal year 2023 and later.

Sec. 10. Minnesota Statutes 2020, section 134.355, subdivision 6, is amended to read:

Subd. 6. **Adjusted net tax capacity per capita distribution.** ~~Twenty-five~~ Fifteen percent of the available aid funds shall be distributed to regional public library systems based upon the adjusted net tax capacity per capita for each member county or participating portion of a county as calculated for the ~~second~~ third year preceding the fiscal year for which aid is provided. Each system's entitlement shall be calculated as follows:

~~(a)~~ (1) multiply the adjusted net tax capacity per capita for each county or participating portion of a county by .0082;

~~(b)~~ (2) add sufficient aid funds that are available under this subdivision to raise the amount of the county or participating portion of a county with the lowest value calculated according to ~~paragraph (a) clause (1)~~ paragraph (a) clause (1) to the amount of the county or participating portion of a county with the next highest value calculated according to ~~paragraph (a) clause (1)~~ paragraph (a) clause (1). Multiply the amount of the additional aid funds by the population of the county or participating portion of a county;

~~(c)~~ (3) continue the process described in ~~paragraph (b) clause (2)~~ paragraph (b) clause (2) by adding sufficient aid funds that are available under this subdivision to the amount of a county or participating portion of a county with the next highest value calculated in ~~paragraph (a) clause (1)~~ paragraph (a) clause (1) to raise it and the amount of counties and participating portions of counties with lower values calculated in ~~paragraph (a) clause (1)~~ paragraph (a) clause (1) up to the amount of the county or participating portion of a county with the next highest value, until reaching an amount where funds available under this subdivision are no longer sufficient to raise the amount of a county or participating portion of a county and the amount of counties and participating portions of counties with lower values up to the amount of the next highest county or participating portion of a county; and

~~(d)~~ (4) if the point is reached using the process in ~~paragraphs (b) and (c) clauses (2) and (3)~~ paragraphs (b) and (c) clauses (2) and (3) at which the remaining aid funds under this subdivision are not adequate for raising the amount of a county or participating portion of a county and all counties and participating portions of counties with amounts of lower value to the amount of the county or participating portion of a county with the next highest value, those funds are to be divided on a per capita basis for all counties or participating portions of counties that received aid funds under the calculation in ~~paragraphs (b) and (c) clauses (2) and (3)~~.

EFFECTIVE DATE. This section is effective for state aid for fiscal year 2023 and later.

Sec. 11. Minnesota Statutes 2020, section 134.355, subdivision 7, is amended to read:

Subd. 7. **Population determination.** A regional public library system's population shall be determined according to must be calculated using the most recent estimate available under section 477A.011, subdivision 3, at the time the aid amounts are calculated, which must be by April 1 in the year the calculation is made.

EFFECTIVE DATE. This section is effective for state aid for fiscal year 2023 and later.

Sec. 12. Laws 2021, First Special Session chapter 13, article 8, section 3, subdivision 2, is amended to read:

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

\$ 16,661,000 <u>14,187,000</u>	.....	2022
\$ 16,954,000 <u>16,194,000</u>	.....	2023

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

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

\$ 11,848,000 <u>20,000</u>	.....	2022
\$ 12,200,000 <u>10,981,000</u>	.....	2023

Sec. 14. Laws 2021, First Special Session chapter 13, article 8, section 3, subdivision 6, is amended to read:

Subd. 6. **Basic system support.** For basic system support aid under Minnesota Statutes, section 134.355:

\$13,570,000	.....	2022
\$ 13,570,000 <u>15,370,000</u>	.....	2023

The 2022 appropriation includes \$1,357,000 for 2021 and \$12,213,000 for 2022.

The 2023 appropriation includes \$1,357,000 for 2022 and ~~\$12,213,000~~ \$14,013,000 for 2023.

Sec. 15. **APPROPRIATION; COMMUNITY ELIGIBILITY PROVISION FUNDING.**

(a) \$18,456,000 in fiscal year 2023 is appropriated from the general fund to the Department of Education for additional funding for school meals.

(b) For each school participating in the Community Eligibility Provision program, the commissioner must calculate the difference between the federal reimbursement for the school breakfasts and school lunches served at the site and the average cost of the school breakfasts and school lunches as annually defined by the United States Department of Agriculture and pay that amount to the school in the form and manner designated by the commissioner.

(c) If the appropriation for school meals under this section exceeds the amount necessary for payments under paragraph (b), the commissioner may award grants to other schools to provide free breakfast and free lunch to all students at the school site. A school participating in the school meals program must apply for a grant in the form and manner specified by the commissioner. The commissioner must prioritize grants applications based on the number of free and reduced-price meal eligible students at each applicant school site.

(d) The commissioner may retain up to two percent of the appropriation in this section for administrative purposes.

(e) The budget base is \$14,146,000 for fiscal year 2024 and \$13,792,000 for fiscal year 2025.

Sec. 16. REVISOR INSTRUCTION.

The revisor of statutes shall replace the phrases "free lunch," "reduced price lunch," "reduced priced lunch," "reduced-price lunch," and "free or reduced price lunch" with "free meals," "reduced-price meals," and "free or reduced-price meals" wherever they appear in statute when used in context with the national school lunch and breakfast program.

**ARTICLE 9
EARLY EDUCATION**

Section 1. Minnesota Statutes 2020, section 120A.20, subdivision 1, is amended to read:

Subdivision 1. **Age limitations; pupils.** (a) All schools supported in whole or in part by state funds are public schools. Admission to a public school is free to any person who: (1) resides within the district that operates the school; (2) is under 21 years of age or who meets the requirements of paragraph (c); and (3) satisfies the minimum age requirements imposed by this section. Notwithstanding the provisions of any law to the contrary, the conduct of all students under 21 years of age attending a public secondary school is governed by a single set of reasonable rules and regulations promulgated by the school board.

(b) A person shall not be admitted to a public school: (1) as a prekindergarten pupil, unless the pupil is at least four years of age as of September 1 of the calendar year in which the school year for which the pupil seeks admission commences; (2) as a kindergarten pupil, unless the pupil is at least five years of age on September 1 of the calendar year in which the school year for which the pupil seeks admission commences; or (2) (3) as a 1st grade student, unless the pupil is at least six years of age on September 1 of the calendar year in which the school year for which the pupil seeks admission commences or has completed kindergarten; except that any school board may establish a policy for admission of selected pupils at an earlier age under section 124D.02.

(c) A pupil who becomes age 21 after enrollment is eligible for continued free public school enrollment until at least one of the following occurs: (1) the first September 1 after the pupil's 21st birthday; (2) the pupil's completion of the graduation requirements; (3) the pupil's withdrawal with no subsequent enrollment within 21 calendar days; or (4) the end of the school year.

Sec. 2. Minnesota Statutes 2020, section 120A.41, is amended to read:

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

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

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

Sec. 3. Minnesota Statutes 2020, section 121A.19, is amended to read:

121A.19 DEVELOPMENTAL SCREENING AID.

Each school year, the state must pay a district for each child or student screened by the district according to the requirements of section 121A.17. The amount of state aid for each child or student screened shall be: (1) ~~\$75~~ \$98 for a child screened at age three; (2) ~~\$50~~ \$65 for a child screened at age four; (3) ~~\$40~~ \$52 for a child screened at age five or six prior to kindergarten; and (4) ~~\$30~~ \$39 for a student screened within 30 days after first enrolling in a public school kindergarten if the student has not previously been screened according to the requirements of section 121A.17. If this amount of aid is insufficient, the district may permanently transfer from the general fund an amount that, when added to the aid, is sufficient. Developmental screening aid shall not be paid for any student who is screened more than 30 days after the first day of attendance at a public school kindergarten, except if a student transfers to another public school kindergarten within 30 days after first enrolling in a Minnesota public school kindergarten program. In this case, if the student has not been screened, the district to which the student transfers may receive developmental screening aid for screening that student when the screening is performed within 30 days of the transfer date.

Sec. 4. Minnesota Statutes 2020, section 124D.151, as amended by Laws 2021, First Special Session chapter 13, article 9, section 1, is amended to read:

124D.151 VOLUNTARY PREKINDERGARTEN PROGRAM FOR ELIGIBLE FOUR-YEAR-OLD CHILDREN.

Subdivision 1. **Establishment; purpose.** ~~A district, a charter school, a group of districts, a group of charter schools, or a group of districts and charter schools~~ school district or charter school, a child care center or family child care provider licensed under section 245A.03, or a Head Start agency licensed under section 245A.03 that meets program requirements under subdivision 2, may establish a voluntary prekindergarten program for eligible four-year-old children. The purpose of a voluntary prekindergarten program is to prepare children for success as they enter kindergarten in the following year.

Subd. 1a. **Definition.** For purposes of this section, a "lead teacher" is an individual with primary responsibility for the instruction and care of eligible children in a voluntary prekindergarten classroom. A lead teacher employed by a school district is a teacher for purposes of sections 122A.40, subdivision 1; 122A.41, subdivision 1, clause (a); and 179A.03, subdivision 18.

Subd. 2. **Program requirements.** ~~(a)~~ A voluntary prekindergarten program provider must:

(1) provide instruction through play-based learning to foster children's social and emotional development, cognitive development, physical and motor development, and language and literacy skills, including the native language and literacy skills of English learners, to the extent practicable;

(2) ~~measure each child's cognitive and social skills~~ assess each child's progress toward the state's early learning standards at program entrance and exit using a commissioner-approved, formative measure aligned to the state's early learning standards when the child enters and again before the child leaves the program, screening and progress monitoring measures, and other age-appropriate versions from the state approved menu of kindergarten entry profile measures, age-appropriate assessment that must be submitted to the department in the form and manner prescribed by the commissioner;

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

(4) provide instructional content and activities that are of sufficient length and intensity to address learning needs including offering a program with at least ~~350~~ 850 hours of instruction per school year for a prekindergarten student;

(5) provide voluntary prekindergarten ~~instructional staff salaries comparable and set salary schedules equivalent to the salaries of local kindergarten through grade 12 instructional staff; public school district elementary school staff with similar credentials and experience for school district and charter prekindergarten program sites and, to the extent practicable, for Head Start, child care center, and family child care sites;~~

(6) employ a lead teacher for each voluntary prekindergarten classroom who has at least a bachelor's degree in early education or a related field no later than July 1, 2028. Teachers employed by an eligible provider for at least three of the last five years immediately preceding July 1, 2022, who meet the necessary content knowledge and teaching skills for early childhood educators, as demonstrated through measures determined by the state, may be employed as a lead teacher;

~~(6) (7) coordinate appropriate kindergarten transition with families, community-based prekindergarten programs, and school district kindergarten programs; and all mixed-delivery partners within the school district;~~

~~(7) (8) involve parents in program planning decision-making and transition planning by implementing parent engagement strategies that include culturally and linguistically responsive activities in prekindergarten through third grade that are aligned with early childhood family education under section 124D.13;~~

~~(8) (9) coordinate with relevant community-based services, including health and social service agencies, to ensure children have access to comprehensive services;~~

~~(9) (10) coordinate with all relevant school district programs and services including early childhood special education, homeless students, and English learners;~~

~~(10) (11) ensure staff-to-child ratios of one-to-ten and a maximum group size of 20 children; in school-based programs, staff-to-child ratios and group size as required for child care center and family child care licensing in programs offered in child care centers and by family child care providers, and staff-to-child ratios and group size as determined by Head Start standards in programs offered by Head Start agencies; and~~

~~(11) (12) provide high-quality coordinated professional development, training, and coaching for both school district and community-based early learning, Head Start, child care center, and family child care providers that is informed by a measure of adult-child interactions and enables teachers to be highly knowledgeable in early childhood curriculum content, assessment, native and English language development programs, and instruction; and~~

~~(12) implement strategies that support the alignment of professional development, instruction, assessments, and prekindergarten through grade 3 curricula-~~

~~(b) A voluntary prekindergarten program must have teachers knowledgeable in early childhood curriculum content, assessment, native and English language programs, and instruction-~~

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

Subd. 3. Mixed delivery of services program plan. ~~A district or charter school may contract with a charter school, Head Start or child care centers, family child care programs licensed under section 245A.03, or a community based organization to provide eligible children with developmentally appropriate services that meet the program requirements in subdivision 2. Components of a mixed delivery plan include strategies for recruitment,~~

~~contracting, and monitoring of fiscal compliance and program quality.~~ School districts and charter schools that receive funding for voluntary prekindergarten programs must develop and submit a mixed-delivery program plan to the Department of Education annually by July 1, 2023, and every year thereafter, in a manner and format prescribed by the commissioner. The plan must ensure alignment of all voluntary prekindergarten program providers within the school district boundaries in meeting the program requirements in subdivision 2 and must include:

(1) a description of the process used to convene and obtain group agreement among all voluntary prekindergarten program providers within the district boundaries in order to coordinate efforts regarding the requirements in subdivision 2;

(2) a description of the voluntary prekindergarten program providers within the school district boundaries, including but not limited to the name and location of partners and the number of hours and days per week the program will be offered at each program site;

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

(4) a plan for recruitment, outreach, and communication regarding the availability of public prekindergarten programming within the community;

(5) a plan for coordinating and offering professional development opportunities, as needed;

(6) a plan for coordinating the required child assessments, as needed, and continuous quality improvement efforts to ensure quality instruction;

(7) a plan for meeting the needs for any child with an individualized education plan;

(8) a plan to ensure salaries equivalent to school staff with comparable credentials and experience;

(9) a detailed plan for transitioning children and families to kindergarten; and

(10) a statement of assurances signed by the superintendent, charter school director, Head Start director, child care center director, and family child care license holder that the proposed program meets the requirements of subdivision 2. A statement of assurances must be submitted in the mixed-delivery program plan and must be signed by an individual from each voluntary prekindergarten program provider with authority to enter into the agreement.

Subd. 3a. **Funding.** (a) School district and charter school voluntary prekindergarten providers are funded based on the number of eligible pupils enrolled as authorized under chapters 124D, 124E, and 126C.

(b) Head Start voluntary prekindergarten providers that are licensed under section 245A.03 and meet the requirements of subdivisions 2 and 3 must receive \$11,000 per child served per year.

(c) Licensed child care center and family child care voluntary prekindergarten providers that are licensed under section 245A.03 and meet the requirements of subdivisions 2 and 3 must receive \$11,000 per child served per year.

(d) The commissioner must establish a process for allocating the seats under paragraphs (b) and (c) that match community strengths, capacity, and needs. The number of seats per year is subject to the availability of appropriations.

(e) Up to 2.5 percent of the amounts appropriated for paragraphs (b) and (c) may be used for distribution of funds.

Subd. 4. **Eligibility.** A ~~(a)~~ An eligible child means a child who:

(1) is four years of age as of September 1 in the calendar year in which the school year commences is; and

(2) meets at least one of the following criteria:

(i) qualifies for free or reduced-price meals;

(ii) is an English learner as defined by section 124D.59, subdivision 2;

(iii) is American Indian;

(iv) is experiencing homelessness;

(v) has an individualized education plan under section 125A.08;

(vi) was identified as having a potential risk factor that may influence learning through health and developmental screening under sections 121A.16 to 121.19;

(vii) is in foster care, in need of child protection services, or in kinship care, including children receiving Northstar kinship assistance under chapter 256N;

(viii) has a parent who is a migrant or seasonal agriculture laborer under section 181.85; or

(ix) has a parent who is incarcerated.

(b) An eligible ~~to~~ child is eligible to participate in a voluntary prekindergarten program free of charge. An eligible four year old child served in a mixed-delivery system by a child care center, family child care program licensed under section 245A.03, or community based organization Programs may charge a sliding fee for the instructional hours that exceed 850 hours during the school year, any hours that provide before- or after-school child care during the school year, or any hours that provide child care during the summer. A child that does not meet the eligibility requirements in paragraph (a), clause (2), may participate in the same classroom as eligible children and may be charged a sliding fee as long as the mixed-delivery partner state funding was not awarded a seat for that child.

(c) Each eligible child must complete a health and developmental screening within 90 days of program enrollment under sections 121A.16 to 121A.19, and provide documentation of required immunizations under section 121A.15.

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

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

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

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

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

(c) The commissioner must divide all applications for new or expanded voluntary prekindergarten programs under this section meeting the requirements of paragraph (a) and school readiness plus programs into four groups as follows: the Minneapolis and St. Paul school districts; other school districts located in the metropolitan equity region as defined in section 126C.10, subdivision 28; school districts located in the rural equity region as defined in section 126C.10, subdivision 28; and charter schools. Within each group, the applications must be ordered by rank using a sliding scale based on the following criteria:

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

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

(3) whether the district has implemented a mixed delivery system.

(d) The limit on participation for the programs as specified in subdivision 6 must initially be allocated among the four groups based on each group's percentage share of the statewide kindergarten enrollment on October 1 of the previous school year. Within each group, the participation limit for fiscal years 2018 and 2019 must first be allocated to school sites approved for aid in the previous year to ensure that those sites are funded for the same number of participants as approved for the previous year. The remainder of the participation limit for each group must be allocated among school sites in priority order until that region's share of the participation limit is reached. If the participation limit is not reached for all groups, the remaining amount must be allocated to the highest priority school sites, as designated under this section, not funded in the initial allocation on a statewide basis. For fiscal year 2020 and later, the participation limit must first be allocated to school sites approved for aid in fiscal year 2017, and then to school sites approved for aid in fiscal year 2018 based on the statewide rankings under paragraph (c).

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

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

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

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

(b) In reviewing applications under subdivision 5, the commissioner must limit the total number of participants in the voluntary prekindergarten and school readiness plus programs under Laws 2017, First Special Session chapter 5, article 8, section 9, to not more than 7,160 participants for fiscal years 2019, 2020, 2021, 2022, and 2023, and 3,160 participants for fiscal years 2024 and later.

Subd. 7. **Financial accounting.** An eligible school district or charter school must record expenditures attributable to voluntary prekindergarten pupils according to guidelines prepared by the commissioner under section 127A.17. Child care centers, family child care providers, and Head Start agencies must record expenditures attributable to voluntary prekindergarten pupils according to guidelines developed and approved by the commissioner of education.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2023 and later.

Sec. 5. Minnesota Statutes 2021 Supplement, section 126C.05, subdivision 1, is amended to read:

Subdivision 1. **Pupil unit.** Pupil units for each Minnesota resident pupil under the age of 21 or who meets the requirements of section 120A.20, subdivision 1, paragraph (c), in average daily membership enrolled in the district of residence, in another district under sections 123A.05 to 123A.08, 124D.03, 124D.08, or 124D.68; in a charter school under chapter 124E; or for whom the resident district pays tuition under section 123A.18, 123A.22, 123A.30, 123A.32, 123A.44, 123A.488, 123B.88, subdivision 4, 124D.04, 124D.05, 125A.03 to 125A.24, 125A.51, or 125A.65, shall be counted according to this subdivision.

(a) A prekindergarten pupil with a disability who is enrolled in a program approved by the commissioner and has an individualized education program is counted as the ratio of the number of hours of assessment and education service to 825 times 1.0 with a minimum average daily membership of 0.28, but not more than 1.0 pupil unit.

(b) A prekindergarten pupil who is assessed but determined not to be disabled is counted as the ratio of the number of hours of assessment service to 825 times 1.0.

~~(c) A kindergarten pupil with a disability who is enrolled in a program approved by the commissioner is counted as the ratio of the number of hours of assessment and education services required in the fiscal year by the pupil's individualized education program to 875, but not more than one.~~

~~(d)~~ (c) A prekindergarten pupil who is not included in paragraph (a) or (b) and is enrolled in an approved a voluntary prekindergarten program under section 124D.151 is counted as the ratio of the number of hours of instruction to 850 times 1.0, but not more than 0.6 pupil units that meets the minimum hours required in section 120A.41 is counted as 1.0 pupil unit.

~~(e)~~ (d) A kindergarten pupil ~~who is not included in paragraph (c)~~ is counted as 1.0 pupil unit if the pupil is enrolled in a free all-day, every day kindergarten program available to all kindergarten pupils at the pupil's school that meets the minimum hours requirement in section 120A.41, or is counted as .55 pupil unit, if the pupil is not enrolled in a free all-day, every day kindergarten program available to all kindergarten pupils at the pupil's school.

~~(f)~~ (e) A pupil who is in any of grades 1 to 6 is counted as 1.0 pupil unit.

~~(g)~~ (f) A pupil who is in any of grades 7 to 12 is counted as 1.2 pupil units.

~~(h)~~ (g) A pupil who is in the postsecondary enrollment options program is counted as 1.2 pupil units.

(i) For fiscal years 2018 through 2023, a prekindergarten pupil who:

(1) is not included in paragraph (a), (b), or (d);

~~(2) is enrolled in a school readiness plus program under Laws 2017, First Special Session chapter 5, article 8, section 9; and~~

~~(3) has one or more of the risk factors specified by the eligibility requirements for a school readiness plus program;~~

~~is counted as the ratio of the number of hours of instruction to 850 times 1.0, but not more than 0.6 pupil units. A pupil qualifying under this paragraph must be counted in the same manner as a voluntary prekindergarten student for all general education and other school funding formulas.~~

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2023 and later.

Sec. 6. Minnesota Statutes 2021 Supplement, section 126C.10, subdivision 2d, is amended to read:

Subd. 2d. **Declining enrollment revenue.** (a) A school district's declining enrollment revenue equals the greater of zero or the product of: (1) 28 percent of the formula allowance for that year and (2) the difference between the adjusted pupil units for the preceding year and the adjusted pupil units for the current year.

(b) Notwithstanding paragraph (a), for prekindergarten programs for fiscal year ~~2024~~ 2023 only, prekindergarten pupil units under section 126C.05, subdivision 1, paragraph ~~(d)~~ (c), must be excluded from the calculation of declining enrollment revenue.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2023 and later.

Sec. 7. Laws 2021, First Special Session chapter 13, article 9, section 4, subdivision 3, is amended to read:

Subd. 3. **Early learning scholarships.** (a) For the early learning scholarship program under Minnesota Statutes, section 124D.165:

\$70,709,000	.....	2022
\$70,709,000	.....	2023

(b) This appropriation is subject to the requirements under Minnesota Statutes, section 124D.165, subdivision 6.

(c) Notwithstanding section 124D.165, for fiscal year 2023 only, the commissioner may allocate funds to Head Start agencies, child care centers, and family child care providers as necessary to implement the voluntary prekindergarten transition year, including allocating funds under section 124D.165 as they existed prior to the date of enactment of this act.

Sec. 8. Laws 2021, First Special Session chapter 13, article 9, section 4, subdivision 6, is amended to read:

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

\$ 3,582,000 <u>3,655,000</u>	.....	2022
\$ 3,476,000 <u>4,560,000</u>	.....	2023

(b) The 2022 appropriation includes \$360,000 for 2021 and ~~\$3,222,000~~ \$3,295,000 for 2022.

(c) The 2023 appropriation includes ~~\$357,000~~ \$366,000 for 2022 and ~~\$3,119,000~~ \$4,194,000 for 2023.

Sec. 9. **TRANSITION YEAR IN 2023.**

(a) Fiscal year 2023 may serve as a transition year in order to give current voluntary prekindergarten programs, school readiness plus programs, and early learning scholarships pathway II programs a year to transition to the new voluntary prekindergarten program for eligible four-year-old children and to make the necessary adjustments to meet the additional program requirements and facilitate relationships with all voluntary prekindergarten program providers within the school district boundaries.

(b) For fiscal year 2023 only, school districts operating a voluntary prekindergarten program under Minnesota Statutes, section 124D.151, or school readiness plus program under Laws 2017, First Special Session chapter 5, article 8, section 9, may apply to the Department of Education to allow the program to continue to operate under the provisions of Minnesota Statutes, sections 124D.151 and 126C.05, subdivision 1, as they existed prior to the date of enactment of this act.

Sec. 10. **APPROPRIATIONS.**

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

Subd. 2. **Voluntary prekindergarten through mixed delivery.** For voluntary prekindergarten provided by Head Start agencies, child care centers, and family child care providers under Minnesota Statutes, section 124D.151, subdivision 3a, paragraphs (b) and (c).

\$0	.....	<u>2022</u>
\$96,920,000	.....	<u>2023</u>

Sec. 11. **REPEALER.**

(a) Minnesota Statutes 2020, section 124D.151, subdivision 5, is repealed.

(b) Minnesota Statutes 2021 Supplement, section 124D.151, subdivision 6, is repealed.

EFFECTIVE DATE. This section is effective July 1, 2022.

ARTICLE 10
COMMUNITY EDUCATION AND LIFELONG LEARNING

Section 1. Minnesota Statutes 2020, section 124D.531, subdivision 1, is amended to read:

Subdivision 1. **State total adult basic education aid.** (a) The state total adult basic education aid for fiscal year ~~2011~~ 2023 equals ~~\$44,419,000~~ \$52,781,000, plus any amount that is not paid during the previous fiscal year as a result of adjustments under subdivision 4, paragraph (a), or section 124D.52, subdivision 3. The state total adult basic education aid for later fiscal years equals:

(1) the state total adult basic education aid for the preceding fiscal year plus any amount that is not paid for during the previous fiscal year, as a result of adjustments under subdivision 4, paragraph (a), or section 124D.52, subdivision 3; times

(2) the lesser of 1.03, or the greater of:

(i) ~~1.03~~ one plus the percent change in the formula allowance under section 126C.10, subdivision 2, from the previous fiscal year to the current fiscal year; or

(ii) the average growth in state total contact hours over the prior ten program years.

Three percent of the state total adult basic education aid must be set aside for adult basic education supplemental service grants under section 124D.522.

(b) The state total adult basic education aid, excluding basic population aid, equals the difference between the amount computed in paragraph (a), and the state total basic population aid under subdivision 2.

EFFECTIVE DATE. This section is effective for revenue in fiscal year 2023 and later.

Sec. 2. Minnesota Statutes 2020, section 124D.531, subdivision 4, is amended to read:

Subd. 4. **Adult basic education program aid limit.** (a) Notwithstanding subdivisions 2 and 3, the total adult basic education aid for a program per prior year contact hour must not exceed ~~\$22~~ \$28 per prior year contact hour computed under subdivision 3, clause (2).

(b) The aid for a program under subdivision 3, clause (2), adjusted for changes in program membership, must not exceed the aid for that program under subdivision 3, clause (2), for the first preceding fiscal year by more than the greater of 11 percent or \$10,000.

(c) Adult basic education aid is payable to a program for unreimbursed costs occurring in the program year as defined in section 124D.52, subdivision 3.

(d) Any adult basic education aid that is not paid to a program because of the program aid limitation under paragraph (a) must be added to the state total adult basic education aid for the next fiscal year under subdivision 1. Any adult basic education aid that is not paid to a program because of the program aid limitations under paragraph (b) must be reallocated among programs by adjusting the rate per contact hour under subdivision 3, clause (2).

EFFECTIVE DATE. This section is effective for revenue in fiscal year 2023 and later.

Sec. 3. Minnesota Statutes 2020, section 124D.55, is amended to read:

124D.55 COMMISSIONER-SELECTED HIGH SCHOOL EQUIVALENCY TEST FEES.

~~(a) The commissioner shall pay 60 percent of the fee that is charged to an eligible individual for the full battery of the commissioner-selected high school equivalency tests, but not more than \$40 for an eligible individual.~~

~~(b) Notwithstanding paragraph (a), for fiscal years 2020 and 2021 only,~~ The commissioner shall pay 100 percent of the fee charged to an eligible individual for the full battery of the commissioner-selected high school equivalency tests, but not more than the cost of one full battery of tests per year for any individual.

Sec. 4. Laws 2021, First Special Session chapter 13, article 10, section 1, subdivision 8, is amended to read:

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

\$ 53,191,000 <u>51,764,000</u>	.....	2022
\$ 54,768,000 <u>52,760,000</u>	.....	2023

The 2022 appropriation includes \$5,177,000 for 2021 and ~~\$48,014,000~~ \$46,587,000 for 2022.

The 2023 appropriation includes ~~\$5,334,000~~ \$5,176,000 for 2022 and ~~\$49,434,000~~ \$47,584,000 for 2023.

Sec. 5. Laws 2021, First Special Session chapter 13, article 10, section 1, subdivision 9, is amended to read:

Subd. 9. **High school equivalency tests.** For payment of the costs of the commissioner-selected high school equivalency tests under Minnesota Statutes, section 124D.55:

\$125,000	.....	2022
\$ 125,000 <u>470,000</u>	.....	2023

ARTICLE 11
STATE AGENCIES

Section 1. Minnesota Statutes 2020, section 125A.71, subdivision 1, is amended to read:

Subdivision 1. **Rental income; appropriation.** Rental income, ~~excluding rent for land and living residences,~~ must be deposited in the state treasury and credited to a revolving fund of the academies. Money in the revolving fund for rental income is annually appropriated to the academies for staff development purposes. Payment from the revolving fund for rental income may be made only according to vouchers authorized by the administrator of the academies.

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

Sec. 2. Minnesota Statutes 2020, section 127A.353, subdivision 2, is amended to read:

Subd. 2. **Qualifications.** The governor shall select the school trust lands director on the basis of outstanding professional qualifications and knowledge of finance, business practices, minerals, forest and real estate management, and the fiduciary responsibilities of a trustee to the beneficiaries of a trust. The school trust lands director serves in the unclassified service for a term of four years. ~~The first term shall end on December 31, 2020.~~ The governor may remove the school trust lands director for cause. If a director resigns or is removed for cause, the governor shall appoint a director for the remainder of the term.

Sec. 3. Minnesota Statutes 2021 Supplement, section 127A.353, subdivision 4, is amended to read:

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

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

(2) evaluate the school trust land asset position;

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

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

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

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

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

(ii) leases of school trust lands;

(iii) royalty agreements on school trust lands;

(iv) land sales and exchanges;

(v) cost certification; and

(vi) revenue generating options;

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

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

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

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

(i) retain core real estate assets;

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

- (iii) rebalance the portfolio in assets with high performance potential and the strategic disposal of selected assets;
- (iv) establish priorities for management actions;
- (v) balance revenue enhancement and resource stewardship; and
- (vi) advance strategies on school trust lands to capitalize on ecosystem services markets; and

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

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

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

- (1) direct and control money appropriated to the director;
- (2) establish job descriptions and employ ~~up to five employees in the unclassified service,~~ staff within the limitations of money appropriated to the director;
- (3) enter into interdepartmental agreements with any other state agency;
- (4) enter into joint powers agreements under chapter 471;
- (5) evaluate and initiate real estate development projects on school trust lands in conjunction with the commissioner of natural resources and with the advice of the Legislative Permanent School Fund Commission ~~in order~~ to generate long-term economic return to the permanent school fund; and
- ~~(6) serve as temporary trustee of school trust land for school trust lands subject to proposed or active eminent domain proceedings; and~~

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

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

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

\$30,837,000	.....	2022
\$ 26,287,000 <u>29,411,000</u>	.....	2023

Of these amounts:

- (1) \$319,000 each year is for the Board of School Administrators;
- (2) \$1,000,000 each year is for regional centers of excellence under Minnesota Statutes, section 120B.115;
- (3) \$250,000 each year is for the School Finance Division to enhance financial data analysis;

(4) \$720,000 each year is for implementing Minnesota's Learning for English Academic Proficiency and Success Act under Laws 2014, chapter 272, article 1, as amended;

(5) \$123,000 each year is for a dyslexia specialist;

(6) \$480,000 each year is for the Department of Education's mainframe update;

(7) \$4,500,000 in fiscal year 2022 only is for legal fees and costs associated with litigation; ~~and~~

(8) \$340,000 in fiscal ~~years year~~ 2022 and \$2,924,000 in 2023 only are for administration and monitoring of voluntary prekindergarten programs, including data collection, analysis, and support for providers implementing the assessment required under Minnesota Statutes, section 124D.151. The base for this item is \$2,674,000 in fiscal year 2024 and \$2,784,000 in fiscal year 2025; and

(9) \$540,000 in fiscal year 2023 is for costs associated with implementing the specific learning disability criteria change, which may include grants for training.

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

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

(d) This appropriation includes funds for information technology project services and support subject to the provisions of Minnesota Statutes, section 16E.21. Any ongoing information technology costs will be incorporated into the service level agreement and will be paid to the Office of MN.IT Services by the Department of Education under the rates and mechanisms specified in that agreement.

(e) To account for the base adjustments provided in Laws 2018, chapter 211, article 21, section 1, paragraph (a), and section 3, paragraph (a), as well as the adjustments in paragraph (a), clauses (8) and (9), the base for fiscal year 2024 and later is \$25,965,000 \$29,179,000. The base for fiscal year 2025 is \$29,289,000.

Sec. 5. Laws 2021, First Special Session chapter 13, article 11, section 7, subdivision 1, is amended to read:

Subdivision 1. **Professional Educator Licensing and Standards Board.** (a) The sums indicated in this section are appropriated from the general fund to the Professional Educator Licensing and Standards Board for the fiscal years designated:

	\$2,792,000	.....	2022
\$ 2,839,000	<u>3,499,000</u>	.....	2023

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

(c) \$660,000 in fiscal year 2023 is for enhancements to the educator licensing system to ensure the Professional Educator Licensing and Standards Board may review and approve educator licensing applications in a timely and effective manner.

~~(e)~~ (d) This appropriation includes funds for information technology project services and support subject to Minnesota Statutes, section 16E.21. Any ongoing information technology costs will be incorporated into an interagency agreement and will be paid to the Office of MN.IT Services by the Professional Educator Licensing and Standards Board under the mechanism specified in that agreement.

(e) The base for fiscal year 2024 and later is \$3,203,000.

ARTICLE 12
FORECAST ADJUSTMENTS
A. GENERAL EDUCATION

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

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

\$ 12,000 <u>1,000</u>	.....	2022
\$ 13,000 <u>1,000</u>	.....	2023

Sec. 2. Laws 2021, First Special Session chapter 13, article 1, section 10, subdivision 4, is amended to read:

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

\$ 2,897,000 <u>2,042,000</u>	.....	2022
\$ 3,558,000 <u>2,003,000</u>	.....	2023

The 2022 appropriation includes \$269,000 for 2021 and ~~\$2,628,000~~ \$1,773,000 for 2022.

The 2023 appropriation includes ~~\$291,000~~ \$197,000 for 2022 and ~~\$3,267,000~~ \$1,806,000 for 2023.

B. EDUCATION EXCELLENCE

Sec. 3. Laws 2021, First Special Session chapter 13, article 2, section 4, subdivision 12, is amended to read:

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

\$ 12,310,000 <u>9,900,000</u>	.....	2022
\$ 14,823,000 <u>10,974,000</u>	.....	2023

C. SPECIAL EDUCATION

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

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

\$ 1,818,000 <u>1,674,000</u>	.....	2022
\$ 2,010,000 <u>1,887,000</u>	.....	2023

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

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

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

\$ 465,000 <u>356,000</u>	.....	2022
\$ 512,000 <u>384,000</u>	.....	2023

The 2022 appropriation includes \$23,000 for 2021 and ~~\$442,000~~ \$333,000 for 2022.

The 2023 appropriation includes ~~\$49,000~~ \$36,000 for 2022 and ~~\$463,000~~ \$348,000 for 2023.

Sec. 6. Laws 2021, First Special Session chapter 13, article 5, section 3, subdivision 5, is amended to read:

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

\$ 24,000 <u>0</u>	.....	2022
\$25,000	.....	2023

D. FACILITIES

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

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

\$25,001,000	.....	2022
\$ 24,286,000 <u>24,315,000</u>	.....	2023

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

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

E. NUTRITION

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

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

\$ 656,000 <u>566,000</u>	.....	2022
\$ 658,000 <u>659,000</u>	.....	2023

F. EARLY EDUCATION

Sec. 9. Laws 2021, First Special Session chapter 13, article 9, section 4, subdivision 5, is amended to read:

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

\$ 35,003,000 <u>34,160,000</u>	.....	2022
\$ 36,478,000 <u>35,126,000</u>	.....	2023

(b) The 2022 appropriation includes \$3,341,000 for 2021 and ~~\$31,662,000~~ \$30,819,000 for 2022.

(c) The 2023 appropriation includes ~~\$3,518,000~~ \$3,424,000 for 2022 and ~~\$32,960,000~~ \$31,702,000 for 2023.

Sec. 10. Laws 2021, First Special Session chapter 13, article 9, section 4, subdivision 12, is amended to read:

Subd. 12. **Home visiting aid.** (a) For home visiting aid under Minnesota Statutes, section 124D.135:

\$ 462,000 <u>455,000</u>	.....	2022
\$ 444,000 <u>426,000</u>	.....	2023

(b) The 2022 appropriation includes \$47,000 for 2021 and ~~\$415,000~~ \$408,000 for 2022.

(c) The 2023 appropriation includes ~~\$46,000~~ \$45,000 for 2022 and ~~\$398,000~~ \$381,000 for 2023.

G. COMMUNITY EDUCATION AND LIFELONG LEARNING

Sec. 11. Laws 2021, First Special Session chapter 13, article 10, section 1, subdivision 2, is amended to read:

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

\$180,000	.....	2022
\$ 155,000 <u>175,000</u>	.....	2023

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

The 2023 appropriation includes \$17,000 for 2022 and ~~\$138,000~~ \$158,000 for 2023.

Sec. 12. Laws 2021, First Special Session chapter 13, article 10, section 1, subdivision 5, is amended to read:

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

\$ 1,000 <u>0</u>	.....	2022
\$1,000	.....	2023

The 2022 appropriation includes \$0 for 2021 and ~~\$1,000~~ \$0 for 2022.

The 2023 appropriation includes \$0 for 2022 and \$1,000 for 2023."

Delete the title and insert:

"A bill for an act relating to education finance; modifying provisions for prekindergarten through grade 12 education including general education, education excellence, teachers, charter schools, special education, health and safety, facilities, nutrition and libraries, early education, community education and lifelong learning, and state agencies; making forecast adjustments to funding for general education, education excellence, special education, facilities, nutrition, early education, and community education and lifelong learning; requiring reports; authorizing rulemaking; appropriating money; amending Minnesota Statutes 2020, sections 13.32, subdivision 3; 120A.20, subdivision 1; 120A.22, subdivisions 7, 9; 120A.41; 120A.42; 120B.018, subdivision 6; 120B.021, subdivisions 1, 2, 3, 4; 120B.022, subdivision 1; 120B.024, subdivisions 1, 2; 120B.026; 120B.11, subdivisions 1, 1a, 2, 3; 120B.12; 120B.15; 120B.30, subdivisions 1, 1a; 120B.301; 120B.35, subdivision 3; 120B.36, subdivision 2; 121A.031, subdivisions 5, 6; 121A.19; 121A.21; 121A.41, subdivisions 2, 10, by adding subdivisions; 121A.425; 121A.45, subdivision 1; 121A.46, subdivision 4, by adding a subdivision; 121A.47, subdivisions 2, 14; 121A.53, subdivision 1; 121A.55; 121A.61, subdivisions 1, 3, by adding a subdivision; 122A.06, subdivisions 4, 6; 122A.091, subdivision 5; 122A.14, by adding a subdivision; 122A.181, subdivision 5; 122A.183, subdivision 1; 122A.184, subdivision 1; 122A.185, subdivision 1; 122A.187, by adding a subdivision; 122A.31, subdivision 1; 122A.40, subdivisions 3, 5, 8; 122A.41, subdivisions 2, 5, by adding a subdivision; 122A.415, subdivision 4, by adding subdivisions; 122A.50; 122A.635; 122A.76; 123A.485, subdivision 2; 123B.04, subdivision 1; 123B.147, subdivision 3; 123B.195; 123B.44, subdivisions 1, 5, 6; 123B.595; 123B.86, subdivision 3; 124D.09, subdivisions 3, 9, 10, 12, 13; 124D.095, subdivisions 2, 3, 4, 7, 8, by adding subdivisions; 124D.119; 124D.128, subdivision 1; 124D.151, as amended; 124D.2211; 124D.4531, subdivisions 1, 1a, 1b; 124D.531, subdivisions 1, 4; 124D.55; 124D.59, subdivisions 2, 2a; 124D.65, subdivision 5; 124D.68, subdivision 2; 124D.73, by adding a subdivision; 124D.74, subdivisions 1, 3, 4, by adding a subdivision; 124D.76; 124D.78; 124D.79, subdivision 2; 124D.791, subdivision 4; 124D.81, subdivisions 1, 2, 2a, 5, by adding a subdivision; 124D.83, subdivision 2, by adding a subdivision; 124D.861, subdivision 2; 124D.98, by adding a subdivision; 124E.02; 124E.03, subdivision 2, by adding a subdivision; 124E.05, subdivisions 4, 7; 124E.06, subdivisions 1, 4, 5; 124E.07, subdivision 3; 124E.11; 124E.13, subdivisions 1, 3; 124E.16, subdivision 1; 124E.25, subdivision 1a; 125A.03; 125A.08; 125A.094; 125A.0942, subdivisions 1, 2, 3; 125A.15; 125A.51; 125A.515, subdivision 3; 125A.71, subdivision 1; 125A.76, subdivision 2e; 126C.05, subdivision 19; 126C.10, subdivisions 2a, 4, 13, 13a, 14, 18a; 126C.15, subdivisions 1, 2; 126C.19, by adding a subdivision; 127A.353, subdivision 2; 127A.45, subdivisions 12a, 13; 134.31, subdivisions 1, 4a; 134.32, subdivision 4; 134.34, subdivision 1; 134.355, subdivisions 5, 6, 7; 144.4165; 179A.03, subdivision 19; Minnesota Statutes 2021 Supplement, sections 122A.70; 126C.05, subdivisions 1, 3; 126C.10, subdivision 2d; 127A.353, subdivision 4; Laws 2021, First Special Session chapter 13, article 1, sections 9; 10, subdivisions 2, 3, 4, 5, 6, 7, 9, 11; article 2, section 4, subdivisions 2, 3, 4, 7, 12, 15, 22, 27; article 3, sections 7, subdivisions 3, 4, 5, 6, 7; 8, subdivision 2; article 5, section 3, subdivisions 2, 3, 4, 5; article 7, section 2, subdivisions 2, 3; article 8, section 3, subdivisions 2, 3, 4, 6; article 9, section 4, subdivisions 3, 5, 6, 12; article 10, section 1, subdivisions 2, 5, 8, 9; article 11, sections 4, subdivision 2; 7, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 120B; 121A; 124D; 125A; 127A; repealing Minnesota Statutes 2020, sections 120B.35, subdivision 5; 124D.151, subdivision 5; 124D.4531, subdivision 3a; Minnesota Statutes 2021 Supplement, section 124D.151, subdivision 6."

With the recommendation that when so amended the bill be re-referred to the Committee on Taxes.

The report was adopted.

Nelson, M., from the Committee on State Government Finance and Elections to which was referred:

H. F. No. 4345, A bill for an act relating to local government; providing additional investment authority for certain self-insurance pools; proposing coding for new law in Minnesota Statutes, chapter 118A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2020, section 118A.09, subdivision 1, is amended to read:

Subdivision 1. **Definition; qualifying government.** "Qualifying government" means:

(1) a county or statutory or home rule charter city with a population of more than 100,000;

(2) a county or statutory or home rule charter city ~~which had its most recently issued general obligation bonds rated in the highest category by a national bond rating agency~~ whose most recent long-term, senior, general obligation rating by one or more national rating organizations in the prior 18-month period is AA or higher; or

(3) a self-insurance pool listed in section 471.982, subdivision 3.

A county or statutory or home rule charter city with a population of 100,000 or less that is a qualifying government, but is subsequently ~~rated less than the highest category by a national bond rating agency on a general obligation bond issue~~ does not meet the threshold under clause (2), may not invest additional funds under this section but may continue to manage funds previously invested under subdivision 2.

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

Sec. 2. Minnesota Statutes 2020, section 118A.09, subdivision 2, is amended to read:

Subd. 2. **Additional investment authority.** Qualifying governments may invest the amount described in subdivision 3:

(1) in index mutual funds based in the United States and indexed to a broad market United States equity index, on the condition that index mutual fund investments must be made directly with the main sales office of the fund; or

(2) with the Minnesota State Board of Investment subject to such terms and minimum amounts as may be adopted by the board. ~~Index mutual fund investments must be made directly with the main sales office of the fund.~~

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

Sec. 3. **[118A.10] SELF-INSURANCE POOLS; ADDITIONAL INVESTMENT AUTHORITY.**

Subdivision 1. **Definition.** For the purposes of this section, "qualifying government" means a self-insurance pool formed under section 471.982.

Subd. 2. **Additional investment authority.** A qualifying government may invest in the securities specified in section 11A.24.

Subd. 3. **Approval.** Before investing pursuant to this section, the governing body of a qualifying government must adopt an investment policy pursuant to a resolution that includes both of the following statements:

(1) the governing body understands that investments under this section have a risk of loss; and

(2) the governing body understands the type of funds that are being invested and the specific investment itself.

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

Delete the title and insert:

"A bill for an act relating to local government; providing additional investment authority for certain self-insurance pools; amending Minnesota Statutes 2020, section 118A.09, subdivisions 1, 2; proposing coding for new law in Minnesota Statutes, chapter 118A."

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Schultz from the Committee on Human Services Finance and Policy to which was referred:

H. F. No. 4367, A bill for an act relating to human services; appropriating money for a grant to a nonprofit organization that operates a licensed short- and long-term shelter.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Capital Investment.

The report was adopted.

Stephenson from the Committee on Commerce Finance and Policy to which was referred:

H. F. No. 4394, A bill for an act relating to commerce; modifying regulation of annuity suitability; amending Minnesota Statutes 2020, sections 72A.2031, subdivisions 8, 10, by adding subdivisions; 72A.2032, subdivisions 4, 6, 7, 8, by adding subdivisions; 72A.2033; 72A.2034; 72A.2035, subdivision 1; 72A.2036; repealing Minnesota Statutes 2020, sections 72A.2031, subdivisions 3, 9, 11; 72A.2032, subdivisions 1, 2, 3, 5.

Reported the same back with the following amendments:

Page 5, line 11, delete "regulatory" and insert "statutory"

Page 6, line 24, delete everything after "commissioner"

Page 6, line 25, delete everything before "must"

Page 8, line 12, delete "that is"

Page 8, delete line 13

Page 8, line 14, delete everything before the comma

Page 8, line 18, delete "that is"

Page 8, delete line 19

Page 8, line 20, delete everything before the comma

Page 9, line 16, strike "Supervision system" and insert "Insurer duties"

Page 9, line 24, reinstate the stricken "insurance"

Page 10, line 14, delete "this section" and insert "subdivisions 1a to 1f, 4, 7, and 8"

Page 14, delete lines 27 and 28 and insert:

"(f) An insurance producer licensed by December 31, 2022, who holds a life insurance line of authority and has previously completed the training in subdivision 2, paragraph (a), shall, by July 1, 2023, complete either:"

Page 15, line 2, after "Commerce" insert "by July 1, 2022,"

Page 16, line 27, delete ", general agents, independent agencies,"

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Nelson, M., from the Committee on State Government Finance and Elections to which was referred:

H. F. No. 4497, A bill for an act relating to early childhood; requiring reports on the information technology supporting and the data practices governing child care and early learning programs; appropriating money.

Reported the same back with the following amendments:

Page 1, line 6, delete "APPROPRIATION:"

Page 1, line 7, delete "AND FAMILIES"

Page 1, line 8, delete "\$...... in fiscal year 2023 is appropriated from the general fund to"

Page 1, line 9, delete "management and budget to" and insert "information technology services shall" and after "implement" insert ", to the extent that there is funding available in the early childhood information technology account in the special revenue fund,"

Page 1, line 11, delete "and families"

Page 1, line 14, delete everything after the period

Page 1, delete line 15

Page 2, line 4, delete the first comma and insert "and" and delete ", and information"

Page 2, line 5, delete "technology services"

Page 2, line 7, delete ", 2023" and insert "of each year"

Page 2, after line 9, insert:

"Sec. 2. **EARLY CHILDHOOD INFORMATION TECHNOLOGY ACCOUNT.**

The early childhood information technology account is created in the special revenue fund. Money in the account is appropriated to the commissioner of information technology services for developing and implementing a plan to modernize the information technology systems that support programs impacting early childhood, including child care and early learning programs and those serving young children."

Page 2, line 11, delete "AND FAMILIES"

Page 2, after line 22, insert:

"Sec. 4. **APPROPRIATION; EARLY CHILDHOOD INFORMATION TECHNOLOGY ACCOUNT.**

\$...... in fiscal year 2023 is appropriated from the general fund for transfer to the early childhood information technology account."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "creating and funding an account to modernize early childhood programs' information technology;"

With the recommendation that when so amended the bill be re-referred to the Committee on Early Childhood Finance and Policy.

The report was adopted.

Liebling from the Committee on Health Finance and Policy to which was referred:

H. F. No. 4704, A bill for an act relating to long-term care; appropriating money to the commissioner of health and the commissioner of human services for long-term care protection and support activities and a temporary staffing pool.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 961, 1404, 1888, 3470, 3560, 3631, 3765, 3805, 4265, 4345 and 4394 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Jordan introduced:

H. F. No. 4757, A bill for an act relating to state government; Minnesota farms and products humanitarian relief aid for Ukraine democracy; providing a tax credit for contributions to the Ukraine relief account; appropriating money.

The bill was read for the first time and referred to the Committee on State Government Finance and Elections.

Jordan introduced:

H. F. No. 4758, A bill for an act relating to economic development; establishing an accessibility for the arts and cultural economy grant program; requiring a report; appropriating money.

The bill was read for the first time and referred to the Committee on Workforce and Business Development Finance and Policy.

Frederick introduced:

H. F. No. 4759, A bill for an act relating to human services; ratifying Service Employees International Union memoranda of understanding; appropriating money for stipends related to collective bargaining agreement.

The bill was read for the first time and referred to the Committee on Human Services Finance and Policy.

McDonald introduced:

H. F. No. 4760, A bill for an act relating to capital investment; appropriating money for replacement of water infrastructure and street reconstruction in the city of Lake Lillian; authorizing the sale and issuance of state bonds.

The bill was read for the first time and referred to the Committee on Capital Investment.

Agbaje introduced:

H. F. No. 4761, A bill for an act relating to early childhood; establishing a grant to YWCA Minneapolis for early childhood and youth programming; appropriating money.

The bill was read for the first time and referred to the Committee on Early Childhood Finance and Policy.

Theis, Wolgamott and Novotny introduced:

H. F. No. 4762, A bill for an act relating to taxation; individual income; establishing an income tax holiday for police officers; appropriating money.

The bill was read for the first time and referred to the Committee on Taxes.

Scott introduced:

H. F. No. 4763, A bill for an act relating to natural resources; allowing nonresident military spouses to obtain resident angling licenses; amending Minnesota Statutes 2020, section 97A.465, subdivision 3.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources Finance and Policy.

Becker-Finn and Moller introduced:

H. F. No. 4764, A bill for an act relating to education finance; appropriating money for county law library grants.

The bill was read for the first time and referred to the Committee on Education Finance.

Bahr introduced:

H. F. No. 4765, A bill for an act relating to data practices; reducing filing fee for data practices complaints; amending Minnesota Statutes 2020, section 13.085, subdivision 2.

The bill was read for the first time and referred to the Committee on Judiciary Finance and Civil Law.

Bahner and Elkins introduced:

H. F. No. 4766, A bill for an act relating to state government; requiring a study of information technology support needed by small agencies; requiring a report; appropriating money.

The bill was read for the first time and referred to the Committee on State Government Finance and Elections.

Bahr, Munson, Drazkowski and Lucero introduced:

H. F. No. 4767, A bill for an act relating to elections; requiring certain duties related to ballot reconciliation and postelection review to be completed before a canvassing board may certify its report on the results of an election; amending Minnesota Statutes 2020, section 204C.31, subdivision 3.

The bill was read for the first time and referred to the Committee on State Government Finance and Elections.

Morrison introduced:

H. F. No. 4768, A bill for an act relating to taxation; property; providing a distribution of the state general levy to certain municipalities; amending Minnesota Statutes 2020, section 275.025, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

Jurgens introduced:

H. F. No. 4769, A bill for an act relating to capital investment; appropriating money for a realignment of County Road 19A and 100th Street South in the city of Cottage Grove; authorizing the sale and issuance of state bonds.

The bill was read for the first time and referred to the Committee on Capital Investment.

Jurgens introduced:

H. F. No. 4770, A bill for an act relating to capital investment; appropriating money for street and infrastructure construction between East Point Douglas Road and County State-Aid Highway 19 in the city of Cottage Grove; authorizing the sale and issuance of state bonds.

The bill was read for the first time and referred to the Committee on Capital Investment.

Jurgens introduced:

H. F. No. 4771, A bill for an act relating to transportation; appropriating money for street and infrastructure construction between East Point Douglas Road and County State-Aid Highway 19 in the city of Cottage Grove.

The bill was read for the first time and referred to the Committee on Transportation Finance and Policy.

Jurgens introduced:

H. F. No. 4772, A bill for an act relating to transportation; appropriating money for a realignment of County Road 19A and 100th Street South in the city of Cottage Grove.

The bill was read for the first time and referred to the Committee on Transportation Finance and Policy.

Lislegard introduced:

H. F. No. 4773, A bill for an act relating to public safety; permitting the use of purple paint to mark boundaries for posted areas where trespassing is prohibited; amending Minnesota Statutes 2020, section 609.605, subdivision 1.

The bill was read for the first time and referred to the Committee on Public Safety and Criminal Justice Reform Finance and Policy.

McDonald introduced:

H. F. No. 4774, A bill for an act relating to consumer protection; prohibiting certain financial and business entities from engaging in certain discriminatory practices; proposing coding for new law in Minnesota Statutes, chapter 325E.

The bill was read for the first time and referred to the Committee on Commerce Finance and Policy.

Murphy introduced:

H. F. No. 4775, A bill for an act relating to capital investment; authorizing the conveyance of bond-financed property to the city of Two Harbors.

The bill was read for the first time and referred to the Committee on Capital Investment.

Albright introduced:

H. F. No. 4776, A bill for an act relating to capital investment; appropriating money for Phase 1 of the Merriam Junction riverbank stabilization project in Scott County; authorizing the sale and issuance of state bonds.

The bill was read for the first time and referred to the Committee on Capital Investment.

Davids introduced:

H. F. No. 4777, A bill for an act relating to taxation; individual income; modifying tax rates; amending Minnesota Statutes 2020, section 290.06, subdivision 2d; Minnesota Statutes 2021 Supplement, section 290.06, subdivision 2c.

The bill was read for the first time and referred to the Committee on Taxes.

Davids introduced:

H. F. No. 4778, A bill for an act relating to taxation; property; reducing the state general levy for commercial-industrial properties; amending Minnesota Statutes 2021 Supplement, section 275.025, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Koznick, Lucero, Erickson, Heinrich, Franson and McDonald introduced:

H. F. No. 4779, A bill for an act relating to state government; prohibiting the State Board of Investment from investing in certain assets that exclude Minnesota-based energy or natural resources companies or Minnesota-based agricultural or livestock companies; requiring divestment of these assets; prohibiting certain types of discrimination in financial services; providing civil penalties; requiring annual reports; proposing coding for new law in Minnesota Statutes, chapters 11A; 46.

The bill was read for the first time and referred to the Committee on State Government Finance and Elections.

Olson, L., introduced:

H. F. No. 4780, A bill for an act relating to insurance; regulating certain claims practices; amending Minnesota Statutes 2020, section 72A.201, subdivision 6.

The bill was read for the first time and referred to the Committee on Commerce Finance and Policy.

Stephenson and Heinrich introduced:

H. F. No. 4781, A bill for an act relating to liquor; authorizing the city of Anoka to issue a social district license.

The bill was read for the first time and referred to the Committee on Commerce Finance and Policy.

Long and Hornstein introduced:

H. F. No. 4782, A bill for an act relating to education finance; providing funding for prekindergarten through grade 12 education; modifying provisions for general education, education excellence, teachers, special education, nutrition, early childhood, community education, and state agencies; requiring reports; appropriating money; amending Minnesota Statutes 2020, sections 120A.20, subdivision 1; 120B.12; 122A.06, subdivision 4; 124D.1158, subdivisions 1, 3, 4; 124D.151, as amended; 124D.165, subdivisions 2, 3; 124D.2211; 124D.231; 124D.65, subdivision 5; 124D.98, by adding a subdivision; 125A.76, subdivision 2e; 126C.17, by adding a subdivision; Minnesota Statutes 2021 Supplement, sections 122A.73, subdivisions 2, 3, 5; 124D.111, subdivisions 1a, 4; 126C.05, subdivisions 1, 3; 126C.10, subdivisions 2, 2d, 2e; 245.4889, subdivision 1; Laws 2021, First Special Session chapter 13, article 1, section 9; article 3, section 7, subdivision 4; article 8, section 3, subdivisions 2, 3; article 9, section 4, subdivision 3; article 11, section 4, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 122A; 124D; 125A; 127A.

The bill was read for the first time and referred to the Committee on Education Finance.

Frazier; Agbaje; Nelson, M.; Gomez; Hassan; Xiong, T.; Hollins and Noor introduced:

H. F. No. 4783, A bill for an act relating to capital investment; appropriating money for the Blue Line light rail extension; authorizing the sale and issuance of state bonds.

The bill was read for the first time and referred to the Committee on Capital Investment.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 3620, A bill for an act relating to labor and industry; allowing a licensed residential building contractor to receive an installation seal for the installation of used manufactured homes; clarifying that a used manufactured home may bear a label or data plate; amending Minnesota Statutes 2020, section 327.32, subdivisions 1a, 1e.

CAL R. LUDEMAN, Secretary of the Senate

SUSPENSION OF RULES

Winkler moved that rule 1.15, paragraph (c), relating to Disposition of Senate Files, be suspended for the purpose of taking the Message from the Senate relating to H. F. No. 3217. The motion prevailed.

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendments the concurrence of the House is respectfully requested:

H. F. No. 3217, A bill for an act relating to agriculture; protecting data about individuals who seek mental or behavioral health assistance or who contact the Minnesota Farm and Rural Helpline; amending Minnesota Statutes 2020, section 13.643, by adding a subdivision.

CAL R. LUDEMAN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Klevorn moved that the House concur in the Senate amendments to H. F. No. 3217 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No 3217, A bill for an act relating to agriculture; protecting data about individuals who seek mental or behavioral health assistance or who contact the Minnesota Farm and Rural Helpline; appropriating money for avian influenza; amending Minnesota Statutes 2020, section 13.643, by adding a subdivision.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 129 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Acomb	Davnie	Hansen, R.	Lee	Nelson, N.	Sandstede
Agbaje	Demuth	Hanson, J.	Liebling	Neu Brindley	Schomacker
Akland	Dettmer	Hausman	Lillie	Noor	Schultz
Albright	Drazkowski	Heinrich	Lippert	Novotny	Scott
Anderson	Ecklund	Heintzeman	Lislegard	O'Driscoll	Stephenson
Backer	Edelson	Her	Long	Olson, B.	Sundin
Bahner	Elkins	Hertaus	Lucero	Olson, L.	Swedzinski
Bahr	Erickson	Hollins	Lueck	O'Neill	Theis
Baker	Feist	Hornstein	Mariani	Pelowski	Thompson
Becker-Finn	Fischer	Howard	Marquart	Petersburg	Torkelson
Bennett	Franke	Huot	Masin	Pfarr	Urdahl
Berg	Franson	Igo	McDonald	Pierson	Vang
Bernardy	Frazier	Johnson	Mekeland	Pinto	Wazlawik
Bierman	Frederick	Jordan	Miller	Poston	West
Bliss	Freiberg	Jurgens	Moller	Pryor	Winkler
Boe	Garofalo	Keeler	Moran	Quam	Wolgamott
Boldon	Green	Kiel	Morrison	Raleigh	Xiong, T.
Burkel	Greenman	Klevorn	Mueller	Rasmusson	Youakim
Carlson	Grossell	Koegel	Munson	Reyer	Spk. Hortman
Christensen	Gruenhagen	Kotyza-Witthuhn	Murphy	Richardson	
Daudt	Haley	Koznick	Nash	Robbins	
Davids	Hamilton	Kresha	Nelson, M.	Sandell	

Those who voted in the negative were:

Mortensen

The bill was repassed, as amended by the Senate, and its title agreed to.

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendments the concurrence of the House is respectfully requested:

H. F. No. 3420, A bill for an act relating to drought relief; modifying the disaster recovery loan program; increasing funding for agricultural drought relief loans; appropriating money for drought relief grants and other financial assistance for eligible farmers; providing financial assistance to municipalities, townships, and Tribal governments for increasing water efficiency in public water supplies; providing grants for planting shade trees and purchasing tree-watering equipment; providing financial assistance to replace drought-killed seedlings; appropriating money; amending Minnesota Statutes 2020, section 41B.047, subdivision 3.

CAL R. LUDEMAN, Secretary of the Senate

Sundin moved that the House refuse to concur in the Senate amendments to H. F. No. 3420, that the Speaker appoint a Conference Committee of 5 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses.

A roll call was requested and properly seconded.

The question was taken on the Sundin motion and the roll was called. There were 68 yeas and 63 nays as follows:

Those who voted in the affirmative were:

Acomb	Edelson	Her	Lillie	Noor	Vang
Agbaje	Elkins	Hollins	Lippert	Olson, L.	Wazlawik
Bahner	Feist	Hornstein	Lislegard	Pelowski	Winkler
Becker-Finn	Fischer	Howard	Long	Pryor	Wolgamott
Berg	Frazier	Huot	Mariani	Reyer	Xiong, J.
Bernardy	Frederick	Jordan	Marquart	Richardson	Xiong, T.
Bierman	Freiberg	Keeler	Masin	Sandell	Youakim
Boldon	Gomez	Klevorn	Moller	Sandstede	Spk. Hortman
Carlson	Greenman	Koegel	Moran	Schultz	
Christensen	Hansen, R.	Kotzya-Witthuhn	Morrison	Stephenson	
Davnie	Hanson, J.	Lee	Murphy	Sundin	
Ecklund	Hausman	Liebling	Nelson, M.	Thompson	

Those who voted in the negative were:

Akland	Bahr	Boe	Demuth	Franke	Grossell
Albright	Baker	Burkel	Dettmer	Franson	Gruenhagen
Anderson	Bennett	Daudt	Drazkowski	Garofalo	Haley
Backer	Bliss	Davids	Erickson	Green	Hamilton

Heinrich	Koznick	Mortensen	O'Driscoll	Quam	Theis
Heintzeman	Kresha	Mueller	Olson, B.	Raleigh	Torkelson
Hertaus	Lucero	Munson	O'Neill	Rasmusson	Urdahl
Igo	Lueck	Nash	Petersburg	Robbins	West
Johnson	McDonald	Nelson, N.	Pfarr	Schomacker	
Jurgens	Mekeland	Neu Brindley	Pierson	Scott	
Kiel	Miller	Novotny	Poston	Swedzinski	

The motion prevailed.

Madam Speaker:

I hereby announce the adoption by the Senate of the following Senate Concurrent Resolution, herewith transmitted:

Senate Concurrent Resolution No. 16, A Senate concurrent resolution relating to adjournment for more than three days.

CAL R. LUDEMAN, Secretary of the Senate

SUSPENSION OF RULES

Winkler moved that the rules be so far suspended that Senate Concurrent Resolution No. 16 be now considered and be placed upon its adoption. The motion prevailed.

SENATE CONCURRENT RESOLUTION No. 16

A Senate concurrent resolution relating to adjournment for more than three days.

Be It Resolved, by the Senate of the State of Minnesota, the House of Representatives concurring:

1. Upon the adjournment of the Senate on Thursday, April 7, 2022, and the adjournment of the House of Representatives on Friday, April 8, 2022, the Senate and House of Representatives may each set its next day of meeting for Tuesday, April 19, 2022.

2. Each house consents to adjournment of the other house for more than three days.

Winkler moved that Senate Concurrent Resolution No. 16 be now adopted. The motion prevailed and Senate Concurrent Resolution No. 16 was adopted.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 3420:

Sundin; Vang; Hansen, R.; Ecklund and Anderson.

MOTIONS AND RESOLUTIONS

Jurgens moved that the name of Mortensen be stricken and that the name of West be added as an author on H. F. No. 26. The motion prevailed.

Green moved that the name of Franson be added as an author on H. F. No. 101. The motion prevailed.

Hertaus moved that the names of Petersburg and Franson be added as authors on H. F. No. 124. The motion prevailed.

Jurgens moved that the name of West be added as an author on H. F. No. 150. The motion prevailed.

Boe moved that his name be stricken as an author on H. F. No. 293. The motion prevailed.

Gruenhagen moved that the names of Demuth, Scott and Bliss be added as authors on H. F. No. 293. The motion prevailed.

Davids moved that the names of Demuth, Theis, Boe and Scott be added as authors on H. F. No. 330. The motion prevailed.

Green moved that the name of Boe be added as an author on H. F. No. 365. The motion prevailed.

Haley moved that the names of Petersburg and Franson be added as authors on H. F. No. 371. The motion prevailed.

Kiel moved that the names of Neu Brindley and Hertaus be added as authors on H. F. No. 513. The motion prevailed.

Novotny moved that the name of Scott be added as an author on H. F. No. 583. The motion prevailed.

Jurgens moved that the name of Scott be added as an author on H. F. No. 637. The motion prevailed.

Neu Brindley moved that the names of Demuth, Boe and Bliss be added as authors on H. F. No. 943. The motion prevailed.

Nash moved that the name of Boe be added as an author on H. F. No. 1046. The motion prevailed.

Nash moved that the names of Scott, Bliss and Boe be added as authors on H. F. No. 1048. The motion prevailed.

Lucero moved that the name of Davids be added as an author on H. F. No. 1243. The motion prevailed.

Hertaus moved that the name of Boe be added as an author on H. F. No. 1302. The motion prevailed.

Haley moved that the names of Demuth, Boe and Bliss be added as authors on H. F. No. 1518. The motion prevailed.

Neu Brindley moved that the name of Scott be added as an author on H. F. No. 1737. The motion prevailed.

Quam moved that the names of Scott and Bliss be added as authors on H. F. No. 1965. The motion prevailed.

Novotny moved that the name of Petersburg be added as an author on H. F. No. 2085. The motion prevailed.

Fischer moved that the name of Hornstein be added as an author on H. F. No. 2086. The motion prevailed.

Nash moved that the name of Bliss be added as an author on H. F. No. 2335. The motion prevailed.

Hornstein moved that the name of Boe be added as an author on H. F. No. 2367. The motion prevailed.

Albright moved that the name of Davids be added as an author on H. F. No. 2511. The motion prevailed.

Scott moved that the name of Davids be added as an author on H. F. No. 2541. The motion prevailed.

Becker-Finn moved that the name of Feist be added as an author on H. F. No. 2876. The motion prevailed.

Wazlawik moved that the name of Sandell be added as an author on H. F. No. 2906. The motion prevailed.

Wazlawik moved that the name of Sandell be added as an author on H. F. No. 2907. The motion prevailed.

Wazlawik moved that the name of Sandell be added as an author on H. F. No. 2952. The motion prevailed.

Heinrich moved that the name of Petersburg be added as an author on H. F. No. 3011. The motion prevailed.

Heinrich moved that the name of Petersburg be added as an author on H. F. No. 3025. The motion prevailed.

Wazlawik moved that the name of Sandell be added as an author on H. F. No. 3075. The motion prevailed.

Wazlawik moved that the name of Sandell be added as an author on H. F. No. 3076. The motion prevailed.

Daudt moved that the names of Scott and Boe be added as authors on H. F. No. 3097. The motion prevailed.

Daudt moved that the names of Davids and Akland be added as authors on H. F. No. 3158. The motion prevailed.

Pelowski moved that the name of Sandstede be added as an author on H. F. No. 3166. The motion prevailed.

Nelson, M., moved that the name of Long be added as an author on H. F. No. 3170. The motion prevailed.

Gruenhagen moved that the names of Boe and Bliss be added as authors on H. F. No. 3233. The motion prevailed.

Gruenhagen moved that the name of Boe be added as an author on H. F. No. 3235. The motion prevailed.

O'Neill moved that the name of Scott be added as an author on H. F. No. 3279. The motion prevailed.

Novotny moved that the names of Scott and Gruenhagen be added as authors on H. F. No. 3325. The motion prevailed.

Novotny moved that the name of Franke be added as an author on H. F. No. 3327. The motion prevailed.

Novotny moved that the names of Demuth, Theis, Boe and Scott be added as authors on H. F. No. 3328. The motion prevailed.

Novotny moved that the name of Scott be added as an author on H. F. No. 3329. The motion prevailed.

Novotny moved that the name of Scott be added as an author on H. F. No. 3331. The motion prevailed.

Liebling moved that the name of Bierman be added as an author on H. F. No. 3363. The motion prevailed.

Nash moved that the name of Boe be added as an author on H. F. No. 3375. The motion prevailed.

Sandell moved that the name of Jurgens be added as an author on H. F. No. 3393. The motion prevailed.

Novotny moved that the name of Scott be added as an author on H. F. No. 3424. The motion prevailed.

Novotny moved that the name of Scott be added as an author on H. F. No. 3482. The motion prevailed.

Klevorn moved that the name of Fischer be added as an author on H. F. No. 3625. The motion prevailed.

Heinrich moved that the name of Scott be added as an author on H. F. No. 3689. The motion prevailed.

Edelson moved that the name of Anderson be added as an author on H. F. No. 3729. The motion prevailed.

Morrison moved that the name of Heinrich be added as an author on H. F. No. 3737. The motion prevailed.

Hansen, R., moved that the names of Mariani, Davnie, Bierman, Boldon and Masin be added as authors on H. F. No. 3765. The motion prevailed.

Nelson, M., moved that the name of Stephenson be added as an author on H. F. No. 3771. The motion prevailed.

Sandstede moved that the name of Stephenson be added as an author on H. F. No. 3773. The motion prevailed.

Grossell moved that the names of Boe and Haley be added as authors on H. F. No. 3881. The motion prevailed.

Morrison moved that the name of Sandell be added as an author on H. F. No. 3888. The motion prevailed.

Johnson moved that the name of Scott be added as an author on H. F. No. 3893. The motion prevailed.

Pinto moved that the name of Bierman be added as an author on H. F. No. 3907. The motion prevailed.

Lippert moved that the name of Bierman be added as an author on H. F. No. 3924. The motion prevailed.

Sandstede moved that the name of Stephenson be added as an author on H. F. No. 3942. The motion prevailed.

Morrison moved that the name of Bierman be added as an author on H. F. No. 3958. The motion prevailed.

Scott moved that the name of Petersburg be added as an author on H. F. No. 3988. The motion prevailed.

Bahner moved that the name of Robbins be added as an author on H. F. No. 4128. The motion prevailed.

Noor moved that the name of Lislegard be added as an author on H. F. No. 4348. The motion prevailed.

Davnies moved that the name of Her be added as an author on H. F. No. 4356. The motion prevailed.

Nash moved that the names of Scott and Boe be added as authors on H. F. No. 4469. The motion prevailed.

Lislegard moved that the names of Schultz and Olson, L., be added as authors on H. F. No. 4484. The motion prevailed.

Lucero moved that the names of Franson, McDonald, Mortensen and Boe be added as authors on H. F. No. 4574. The motion prevailed.

Long moved that the name of Schultz be added as an author on H. F. No. 4654. The motion prevailed.

Albright moved that the name of Pierson be added as an author on H. F. No. 4682. The motion prevailed.

Jordan moved that the name of Lillie be added as an author on H. F. No. 4714. The motion prevailed.

Masin moved that the name of Bierman be added as an author on H. F. No. 4724. The motion prevailed.

Ecklund moved that the name of Lislegard be added as an author on H. F. No. 4730. The motion prevailed.

Masin moved that the name of Nelson, M., be added as an author on H. F. No. 4738. The motion prevailed.

Lee moved that the name of Jordan be added as an author on H. F. No. 4739. The motion prevailed.

Masin moved that the name of Nelson, M., be added as an author on H. F. No. 4740. The motion prevailed.

Masin moved that the name of Nelson, M., be added as an author on H. F. No. 4741. The motion prevailed.

Bennett moved that the names of Poston, Lucero and Akland be added as authors on H. F. No. 4744. The motion prevailed.

Nash moved that the names of Morrison, Robbins, Edelson and Klevorn be added as authors on H. F. No. 4746. The motion prevailed.

Nash moved that the name of Boe be added as an author on H. F. No. 4747. The motion prevailed.

Koegel moved that the name of Lillie be added as an author on H. F. No. 4748. The motion prevailed.

Hollins moved that the name of Becker-Finn be added as an author on H. F. No. 4749. The motion prevailed.

Haley moved that the name of Theis be added as an author on H. F. No. 4754. The motion prevailed.

Scott moved that H. F. No. 4665 be returned to its author. The motion prevailed.

ADJOURNMENT

Winkler moved that when the House adjourns today it adjourn until 12:10 p.m., Friday, April 8, 2022. The motion prevailed.

Winkler moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 12:10 p.m., Friday, April 8, 2022.

PATRICK D. MURPHY, Chief Clerk, House of Representatives