A bill for an act

relating to education; making certain policy changes for prekindergarten through grade 12 education including general education, education excellence, teacher licensing, health and safety, special education, and early childhood education; making changes to a report; amending Minnesota Statutes 2018, sections 120A.20, by adding a subdivision; 121A.22, subdivision 1, by adding a subdivision; 122A.181, subdivision 3; 122A.182, subdivision 3; 122A.187, subdivision 6; 123B.52, subdivisions 1, 3; 124D.165, subdivisions 3, 4; 125A.08; 125A.30; 125A.50, subdivision 1; 126C.17, subdivision 9; Minnesota Statutes 2019 Supplement, section 120B.12, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 120B; 121A.

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

ARTICLE 1

GENERAL EDUCATION

Section 1. Minnesota Statutes 2018, section 123B.52, subdivision 1, is amended to read:

Subdivision 1. **Contracts.** A contract for work or labor, or for the purchase of furniture, fixtures, or other property, except books registered under the copyright laws and information systems software, or for the construction or repair of school houses, the estimated cost or value of which shall exceed that specified in section 471.345, subdivision 3, must not be made by the school board without first advertising for bids or proposals by two weeks’ published notice in the official newspaper. This notice must state the time and place of receiving bids and contain a brief description of the subject matter.

Additional publication in the official newspaper or elsewhere may be made as the board shall deem necessary.
After taking into consideration conformity with the specifications, terms of delivery, and other conditions imposed in the call for bids, every such contract for which a call for bids has been issued must be awarded to the lowest responsible bidder, be duly executed in writing, and be otherwise conditioned as required by law. The person to whom the contract is awarded shall give a sufficient bond to the board for its faithful performance.

Notwithstanding section 574.26 or any other law to the contrary, on a contract limited to the purchase of a finished tangible product, a board may require, at its discretion, a performance bond of a contractor in the amount the board considers necessary. A record must be kept of all bids, with names of bidders and amount of bids, and with the successful bid indicated thereon. A bid containing an alteration or erasure of any price contained in the bid which is used in determining the lowest responsible bid must be rejected unless the alteration or erasure is corrected as provided in this section. An alteration or erasure may be crossed out and the correction thereof printed in ink or typewritten adjacent thereto and initialed in ink by the person signing the bid. In the case of identical low bids from two or more bidders, the board may, at its discretion, utilize negotiated procurement methods with the tied low bidders for that particular transaction, so long as the price paid does not exceed the low tied bid price. In the case where only a single bid is received, the board may, at its discretion, negotiate a mutually agreeable contract with the bidder so long as the price paid does not exceed the original bid. If no satisfactory bid is received, the board may readvertise.

Standard requirement price contracts established for supplies or services to be purchased by the district must be established by competitive bids. Such standard requirement price contracts may contain escalation clauses and may provide for a negotiated price increase or decrease based upon a demonstrable industrywide or regional increase or decrease in the vendor's costs. Either party to the contract may request that the other party demonstrate such increase or decrease. The term of such contracts must not exceed two years with an option on the part of the district to renew for an additional two years, except as provided in subdivision 3 or 7. Contracts for the purchase of perishable food items, except milk for school lunches and vocational training programs, in any amount may be made by direct negotiation by obtaining two or more written quotations for the purchase or sale, when possible, without advertising for bids or otherwise complying with the requirements of this section or section 471.345, subdivision 3. All quotations obtained shall be kept on file for a period of at least one year after receipt.

Every contract made without compliance with the provisions of this section shall be void. Except in the case of the destruction of buildings or injury thereto, where the public interest would suffer by delay, contracts for repairs may be made without advertising for bids.
EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 2. Minnesota Statutes 2018, section 123B.52, subdivision 3, is amended to read:

Subd. 3. Transportation; fuel. Notwithstanding the provisions of subdivision 1 or section 471.345, a contract for the transportation of school children, or a contract for the purchase of petroleum heating fuel or fuel for vehicles may be made by direct negotiation, by obtaining two or more written quotations for the service when possible, or upon sealed bids. At least 30 days before awarding a directly negotiated contract, the district must, by published notice, request quotations for the service to be provided. All quotations obtained must be kept on file for a period of at least one year after receipt. If a contract is made by direct negotiation, all quotations must be public information. If a contract is made upon sealed bids, the procedure for advertising and awarding bids shall conform to the provisions of subdivision 1 except as otherwise provided in this subdivision. The term of such contracts must not exceed ten years.

Notwithstanding the provisions of subdivision 1 or section 574.26, a performance bond must be required of a contractor on a contract for the transportation of school children only when deemed necessary by and at the discretion of the board. Such a performance bond must be in the amount determined by the board.

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

Sec. 3. Minnesota Statutes 2018, section 126C.17, subdivision 9, is amended to read:

Subd. 9. Referendum revenue. (a) The revenue authorized by section 126C.10, subdivision 1, may be increased in the amount approved by the voters of the district at a referendum called for the purpose. The referendum may be called by the board. The referendum must be conducted one or two calendar years before the increased levy authority, if approved, first becomes payable. Only one election to approve an increase may be held in a calendar year. Unless the referendum is conducted by mail under subdivision 11, paragraph (a), the referendum must be held on the first Tuesday after the first Monday in November. The ballot must state the maximum amount of the increased revenue per adjusted pupil unit. The ballot may state a schedule, determined by the board, of increased revenue per adjusted pupil unit that differs from year to year over the number of years for which the increased revenue is authorized or may state that the amount shall increase annually by the rate of inflation. For this purpose, the rate of inflation shall be the annual inflationary increase calculated under subdivision 2, paragraph (b). The ballot may state that existing referendum levy authority is expiring. In this case, the ballot may also compare the proposed levy
authority to the existing expiring levy authority, and express the proposed increase as the amount, if any, over the expiring referendum levy authority. The ballot must designate the specific number of years, not to exceed ten, for which the referendum authorization applies. The ballot, including a ballot on the question to revoke or reduce the increased revenue amount under paragraph (c), must abbreviate the term "per adjusted pupil unit" as "per pupil." The notice required under section 275.60 may be modified to read, in cases of renewing existing levies at the same amount per pupil as in the previous year:

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

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

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

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

(b) The board must deliver by mail at least 15 days but no more than 45 days before the day of the referendum to each taxpayer a notice of the referendum and the proposed revenue increase. The board need not mail more than one notice to any taxpayer. For the purpose of giving mailed notice under this subdivision, owners must be those shown to be owners on the records of the county auditor or, in any county where tax statements are mailed by the county treasurer, on the records of the county treasurer. Every property owner whose name does not appear on the records of the county auditor or the county treasurer is deemed to have waived this mailed notice unless the owner has requested in writing that the county auditor or county treasurer, as the case may be, include the name on the records for this purpose. The notice must project the anticipated amount of tax increase in annual dollars for typical residential homesteads, agricultural homesteads, apartments, and commercial-industrial property within the school district.

The notice for a referendum may state that an existing referendum levy is expiring and project the anticipated amount of increase over the existing referendum levy in the first year, if any, in annual dollars for typical residential homesteads, agricultural homesteads, apartments, and commercial-industrial property within the district.
The notice must include the following statement: "Passage of this referendum will result
in an increase in your property taxes." However, in cases of renewing existing levies, the
notice may include the following statement: "Passage of this referendum extends an existing
operating referendum at the same amount per pupil as in the previous year."

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

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

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

EFFECTIVE DATE. This section is effective July 1, 2020, and applies to referendum
notices mailed on or after that date.

ARTICLE 2
EDUCATION EXCELLENCE

Section 1. Minnesota Statutes 2019 Supplement, section 120B.12, subdivision 2, is amended
to read:

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. Students
identified as not reading at grade level by the end of kindergarten, grade 1, and grade 2 must
be screened, in a locally determined manner, for characteristics of dyslexia.

(b) Students in grade 3 or higher who demonstrate a reading difficulty to a classroom
teacher must be screened, in a locally determined manner, for 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, developmentally appropriate, and culturally responsive assessment and annually report summary assessment results to the commissioner by July 1.

(d) The district also must annually report to the commissioner by July 1 a summary of the district's efforts to screen and identify students with:

(1) who demonstrate characteristics of dyslexia, using screening tools such as those recommended by the department's dyslexia specialist; or

(2) convergence insufficiency disorder. 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.

EFFECTIVE DATE. This section is effective for the 2020-2021 school year and later.

Sec. 2. Minnesota Statutes 2018, section 122A.181, subdivision 3, is amended to read:

Subd. 3. Term of license and renewal. (a) The Professional Educator Licensing and Standards Board must issue an initial Tier 1 license for a term of one year. A Tier 1 license may be renewed subject to paragraphs (b) and (c). The board may submit written comments to the district or charter school that requested the renewal regarding the candidate.

(b) The Professional Educator Licensing and Standards Board must renew a Tier 1 license if:

(1) the district or charter school requesting the renewal demonstrates that it has posted the teacher position but was unable to hire an acceptable teacher with a Tier 2, 3, or 4 license for the position;

(2) the teacher holding the Tier 1 license took a content examination in accordance with section 122A.185 and submitted the examination results to the teacher's employing district
or charter school within one year of the board approving the request for the initial Tier 1 license; and

(3) the teacher holding the Tier 1 license participated in cultural competency training consistent with section 120B.30, subdivision 1, paragraph (q), within one year of the board approving the request for the initial Tier 1 license; and

(4) the teacher holding the Tier 1 license met the mental illness training renewal requirement under section 122A.187, subdivision 6.

The requirement in clause (2) does not apply to a teacher that teaches a class in a career and technical education or career pathways course of study.

(c) A Tier 1 license must not be renewed more than three times, unless the requesting district or charter school can show good cause for additional renewals. A Tier 1 license issued to teach (1) a class or course in a career and technical education or career pathway course of study or (2) in a shortage area, as defined in section 122A.06, subdivision 6, may be renewed without limitation.

**EFFECTIVE DATE.** This section is effective for licenses issued on or after July 1, 2021.

Sec. 3. Minnesota Statutes 2018, section 122A.182, subdivision 3, is amended to read:

Subd. 3. **Term of license and renewal.** The Professional Educator Licensing and Standards Board must issue an initial Tier 2 license for a term of two years. A Tier 2 license may be renewed three times. Before a Tier 2 license is renewed for the first time, a teacher holding a Tier 2 license must participate in cultural competency training consistent with section 120B.30, subdivision 1, paragraph (q), and mental illness training under section 122A.187, subdivision 6. The board must issue rules setting forth the conditions for additional renewals after the initial license has been renewed three times.

**EFFECTIVE DATE.** This section is effective for licenses issued on or after July 1, 2021.

Sec. 4. Minnesota Statutes 2018, section 122A.187, subdivision 6, is amended to read:

Subd. 6. **Mental illness.** The Professional Educator Licensing and Standards Board must adopt rules that require all licensed teachers renewing a Tier 3 or Tier 4 teaching license under sections 122A.183 and 122A.181 to 122A.184, respectively, to include in the renewal requirements at least one hour of suicide prevention best practices training in each licensure renewal period based on nationally recognized evidence-based programs and practices,
among the continuing education credits required to renew a license under this subdivision, and further preparation, first, in, Initial training must include understanding the key warning signs of early-onset mental illness in children and adolescents, and then, during subsequent licensure renewal periods, preparation may training must include providing a more in-depth understanding of students' mental illness trauma, accommodations for students' mental illness, parents' roles in addressing students' mental illness, Fetal Alcohol Spectrum Disorders, autism, the requirements of section 125A.0942 governing restrictive procedures, and de-escalation methods, among other similar topics.

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

**ARTICLE 3**

**HEALTH AND SAFETY**

Section 1. [120B.238] VAPING AWARENESS AND PREVENTION.

Subdivision 1. **Title.** This section may be referred to as the "Vaping Awareness and Prevention Act."

Subd. 2. **Definitions.** (a) For purposes of this section, the words defined in this subdivision have the meanings given them.

(b) "Electronic delivery device" has the meaning given in section 609.685, subdivision 1.

(c) "Heated tobacco product" means a tobacco product that produces aerosols containing nicotine and other chemicals which are inhaled by users through the mouth.

(d) "Public school" means a school district or a charter school.

(e) "Vaping" means using an activated electronic delivery device or heated tobacco product.

Subd. 3. **School instruction requirements.** (a) A public school must provide vaping prevention instruction at least once to students in grades 6 through 8. A public school may use instructional materials based on the Department of Health's e-cigarette toolkit or may use other smoking prevention instructional materials with a focus on vaping and the use of electronic delivery devices and heated tobacco products. The instruction may be provided as a part of a public school's locally developed health standards.

(b) A public school is strongly encouraged to provide evidence-based vaping 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 vaping prevention instruction.

Subd. 4. Student survey. The commissioner of education must include questions regarding tobacco use and vaping in the Minnesota student survey.

EFFECTIVE DATE. This section is effective for the 2021-2022 school year and later.

Sec. 2. Minnesota Statutes 2018, section 121A.22, subdivision 1, is amended to read:

Subdivision 1. Applicability. (a) This section applies only:

(1) when the parent of a pupil requests school personnel to administer drugs or medicine to the pupil; or

(2) when administration is allowed by the individualized education program of a child with a disability.

The request of a parent may be oral or in writing. An oral request must be reduced to writing within two school days, provided that the district may rely on an oral request until a written request is received.

(b) If the administration of a drug or medication described in paragraph (a) requires a school to store the drug or medication, the parent or legal guardian must inform the school if the drug or medication is a controlled substance. For a drug or medication that is not a controlled substance, the request must include a provision designating the school district as an authorized entity to transport the drug or medication for the purpose of destruction if any unused drug or medication remains in the possession of school personnel. For a drug or medication that is a controlled substance, the request must specify that the parent or legal guardian is required to retrieve the drug or controlled substance when requested by the school.

Sec. 3. Minnesota Statutes 2018, section 121A.22, is amended by adding a subdivision to read:

Subd. 4a. Unclaimed drugs or medications. (a) Each school district must adopt a procedure for the collection and transport of any unclaimed or abandoned prescription drugs or medications remaining in the possession of school personnel in accordance with this subdivision. The procedure must ensure that before the transportation of any prescription drug or medication under this subdivision, the school district shall make a reasonable attempt to return the unused prescription drug or medication to the student's parent or legal guardian. The procedure must provide that transportation of unclaimed or unused prescription drugs...
or medications occur at least annually, or more frequently as determined by the school district.

(b) If the unclaimed or abandoned prescription drug is not a controlled substance as defined under section 152.01, subdivision 4, or is an over-the-counter medication, the school district may designate an individual who shall be responsible for transporting the drug or medication to a designated drop-off box or collection site or may request that a law enforcement agency transport the drug or medication to a drop-off box or collection site on behalf of the school district.

c) If the unclaimed or abandoned prescription drug is a controlled substance as defined in section 152.01, subdivision 4, a school district or school personnel is prohibited from transporting the prescription drug to a drop-off box or collection site for prescription drugs identified under this paragraph. The school district must request that a law enforcement agency transport the prescription drug or medication to a collection bin that complies with Drug Enforcement Agency regulations, or if a site is not available, under the agency's procedure for transporting drugs.

ARTICLE 4
SPECIAL EDUCATION

Section 1. Minnesota Statutes 2018, 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) 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

(3) 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.

EFFECTIVE DATE. This section applies to functional behavior assessments conducted
on or after July, 1, 2020.

Sec. 2. Minnesota Statutes 2018, section 125A.50, subdivision 1, is amended to read:

Subdivision 1. Commissioner approval. The commissioner may approve applications
from districts initiating or significantly changing a program to provide prevention services
as an alternative to special education and other compensatory programs. A district with an
approved program may provide instruction and services in a regular education classroom,
or an area learning center, to eligible pupils. Pupils eligible to participate in the program
are pupils who need additional academic or behavioral support to succeed in the general
education environment and who may eventually qualify for special education instruction
or related services under sections 125A.03 to 125A.24 and 125A.65 if the intervention
services authorized by this section were unavailable. A pupil with a disability as defined
under sections 125A.03 to 125A.24 and 125A.65, whose individualized education program
team has determined that the pupil does not require special education services in the area
of the district's approved program, may participate in the approved program as long as
participation does not result in an increase in costs for the program or displace a pupil who
does not currently have a disability. Pupils may be provided services during extended school
days and throughout the entire year and through the assurance of mastery program under
sections 125A.03 to 125A.24 and 125A.65.

EFFECTIVE DATE. This section is effective July 1, 2020.

ARTICLE 5
EARLY CHILDHOOD

Section 1. Minnesota Statutes 2018, section 120A.20, is amended by adding a subdivision
to read:

Subd. 4. Verification of age for admission to public school. Public schools may request
documentation that verifies a pupil falls within the school's minimum and maximum age
requirements for admission to publicly funded prekindergarten, preschool, kindergarten, or
grades 1 through 12. Documentation may include a passport, a hospital birth record or
physician's certificate, a baptismal or religious certificate, an adoption record, health records,
immunization records, immigration records, previously verified school records, early
childhood screening records, Minnesota Immunization Information Connection records, or
an affidavit from a parent.

Sec. 2. [121A.425] FULL AND EQUITABLE PARTICIPATION IN PRESCHOOL
AND PREKINDERGARTEN.

Subdivision 1. Disciplinary dismissals prohibited. A pupil enrolled in 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. 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 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.

Sec. 3. Minnesota Statutes 2018, section 124D.165, subdivision 3, is amended to read:

Subd. 3. Administration. (a) The commissioner shall establish application timelines
and determine the schedule for awarding scholarships that meets operational needs of eligible
families and programs. The commissioner must give highest priority to applications from
children who:

(1) have a parent under age 21 who is pursuing a high school diploma or a course of
study for a high school equivalency test;

(2) are in foster care or otherwise in need of protection or services; or

(3) have experienced homelessness in the last 24 months, as defined under the federal
McKinney-Vento Homeless Assistance Act, United States Code, title 42, section 11434a.

The commissioner may prioritize applications on additional factors including family
income, geographic location, and whether the child's family is on a waiting list for a publicly
funded program providing early education or child care services.

(b) The commissioner shall establish a target for the average scholarship amount per
child based on the results of the rate survey conducted under section 119B.02.

(c) A four-star rated program that has children eligible for a scholarship enrolled in or
on a waiting list for a program beginning in July, August, or September may notify the
commissioner, in the form and manner prescribed by the commissioner, each year of the
program's desire to enhance program services or to serve more children than current funding
provides. The commissioner may designate a predetermined number of scholarship slots
for that program and notify the program of that number. For fiscal year 2018 and later, the
statewide amount of funding directly designated by the commissioner must not exceed the
funding directly designated for fiscal year 2017. Beginning July 1, 2016, a school district
or Head Start program qualifying under this paragraph may use its established registration
process to enroll scholarship recipients and may verify a scholarship recipient's family
income in the same manner as for other program participants.

(d) A scholarship is awarded for a 12-month period. If the scholarship recipient has not
been accepted and subsequently enrolled in a rated program within ten months of the
awarding of the scholarship, the scholarship cancels and the recipient must reapply in order
to be eligible for another scholarship. A child may not be awarded more than one scholarship
in a 12-month period.

(e) A child who receives a scholarship who has not completed development screening
under sections 121A.16 to 121A.19 must complete that screening within 90 days of first
attending an eligible program or within 90 days after the child's third birthday if awarded
a scholarship under the age of three.

(f) For fiscal year 2017 and later, a school district or Head Start program enrolling
scholarship recipients under paragraph (c) may apply to the commissioner, in the form and
manner prescribed by the commissioner, for direct payment of state aid. Upon receipt of
the application, the commissioner must pay each program directly for each approved
scholarship recipient enrolled under paragraph (c) according to the metered payment system
or another schedule established by the commissioner.

Sec. 4. Minnesota Statutes 2018, section 124D.165, subdivision 4, is amended to read:

Subd. 4. Early childhood program eligibility. (a) In order to be eligible to accept an
early learning scholarship, a program must:

1. participate in the quality rating and improvement system under section 124D.142;

2. beginning July 1, 2024, have a three- or four-star rating in the quality rating
   and improvement system.

(b) Any program accepting scholarships must use the revenue to supplement and not
supplant federal funding.

(c) Notwithstanding paragraph (a), all Minnesota early learning foundation scholarship
program pilot sites are eligible to accept an early learning scholarship under this section.

EFFECTIVE DATE. This section is effective the day following final enactment.
Sec. 5. Minnesota Statutes 2018, section 125A.30, is amended to read:

**125A.30 INTERAGENCY EARLY INTERVENTION COMMITTEES.**

(a) A group of school districts or special education cooperatives, in cooperation with the county and tribal health and human service agencies located in the county or counties in which the districts or cooperatives are located, must establish an Interagency Early Intervention Committee for children with disabilities under age five and their families under this section, and for children with disabilities ages three to 22 consistent with the requirements under sections 125A.023 and 125A.027. Committees must include representatives of local health, education, and county human service agencies, early childhood family education programs, Head Start, parents of young children with disabilities under age 12, child care resource and referral agencies, school readiness programs, current service providers, and agencies that serve families experiencing homelessness, and may also include representatives from other private or public agencies and school nurses. The committee must elect a chair from among its members and must meet at least quarterly.

(b) The committee must develop and implement interagency policies and procedures concerning the following ongoing duties:

1. develop public awareness systems designed to inform potential recipient families, especially parents with premature infants, or infants with other physical risk factors associated with learning or development complications, of available programs and services;

2. to reduce families' need for future services, and especially parents with premature infants, or infants with other physical risk factors associated with learning or development complications, implement interagency child find systems designed to actively seek out, identify, and refer infants and young children with, or at risk of, disabilities, including a child under the age of three who: (i) is the subject of a substantiated case of abuse or neglect or (ii) is identified as directly affected by illegal substance abuse, or withdrawal symptoms resulting from prenatal drug exposure;

3. implement a process for assuring that services involve cooperating agencies at all steps leading to individualized programs;

4. identify the current services and funding being provided within the community for children with disabilities under age five and their families; and

5. develop a plan for the allocation and expenditure of federal early intervention funds under United States Code, title 20, section 1471 et seq. (Part C, Public Law 108-446) and United States Code, title 20, section 631, et seq. (Chapter I, Public Law 89-313).
(c) The local committee shall also participate in needs assessments and program planning activities conducted by local social service, health and education agencies for young children with disabilities and their families.