

## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION—1987

## THIRTY-FIFTH DAY

SAINT PAUL, MINNESOTA, MONDAY, APRIL 20, 1987

The House of Representatives convened at 2:00 p.m. and was called to order by Fred C. Norton, Speaker of the House.

Prayer was offered by Pastor Richard Spande, First Lutheran Church, Ellendale, Minnesota.

The roll was called and the following members were present:

Anderson, G.	Greenfield	Lasley	Osthoff	Shaver
Anderson, R.	Gruenes	Lieder	Otis	Simoneau
Battaglia	Gutknecht	Long	Ozment	Skoglund
Bauerly	Hartle	Marsh	Pappas	Solberg
Beard	Haukoos	McDonald	Pauly	Sparby
Begich	Heap	McEachern	Pelowski	Stanius
Bennett	Himle	McKasy	Peterson	Steensma
Bertram	Hugoson	McLaughlin	Poppenhagen	Sviggun
Bishop	Jacobs	McPherson	Price	Swenson
Blatz	Jaros	Milbert	Quinn	Thiede
Boo	Jefferson	Miller	Quist	Tjornhom
Brown	Jennings	Minne	Redalen	Tompkins
Burger	Jensen	Morrison	Reding	Trimble
Carlson, D.	Johnson, A.	Munger	Rest	Tunheim
Carlson, L.	Johnson, R.	Murphy	Rice	Uphus
Carruthers	Johnson, V.	Nelson, C.	Richter	Valento
Clark	Kahn	Nelson, D.	Riveness	Vanasek
Clausnitzer	Kalis	Nelson, K.	Rodosovich	Vellenga
Cooper	Kelly	Neuenschwander	Rose	Voss
Dauner	Kelso	O'Connor	Rukavina	Wagenius
DeBlieck	Kinkel	Ogren	Sarna	Waltman
Dempsey	Kludt	Olsen, S.	Schafer	Welle
Dille	Knickerbocker	Olson, E.	Scheid	Wenzel
Dorn	Knuth	Olson, K.	Schoenfeld	Winter
Forsythe	Kostohryz	Omann	Schreiber	Wynia
Frederick	Krueger	Onnen	Seaberg	Spk. Norton
Frerichs	Larsen	Orenstein	Segal	

A quorum was present.

The Chief Clerk proceeded to read the Journal of the preceding day. Osthoff moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

## REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 862, 1104, 1059, 1174, 1188, 165, 230, 585, 630, 668, 792, 856, 904, 1128, 1189, 1524, 305, 931, 1045 and 1026 and S. F. Nos. 482 and 322 have been placed in the members' files.

## REPORTS OF STANDING COMMITTEES

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 624, A bill for an act relating to conciliation courts; providing for entry of judgment; providing for vacation of default judgment in certain circumstances; providing for time limitation and service by mail on removal to county court; allowing a party to proceed without payment of a filing fee; amending Minnesota Statutes 1986, section 487.30, by adding subdivisions.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 674, A bill for an act relating to crimes; dictating circumstances in which the court may stay execution of sentence following conviction for a second or subsequent offense relating to criminal sexual conduct; providing that information regarding a sexual assault victim is private; amending Minnesota Statutes 1986, sections 609.346, subdivisions 2 and 3; and 611A.06.

Reported the same back with the following amendments:

Page 2, line 2, after "(1)" insert "a term of"

Page 2, line 3, after "workhouse" insert "that is proportional to defendant's prior record"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 730, A bill for an act relating to witnesses; expanding the exception to the husband-wife privilege applicable to crimes com-

mitted against children; amending Minnesota Statutes 1986, section 595.02, subdivision 1.

Reported the same back with the following amendments:

Page 1, line 24, delete everything after "spouse"

Page 1, line 25, delete the new language

With the recommendation that when so amended the bill pass.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 753, A bill for an act relating to education; removing references to repealed statutes; removing obsolete language; amending Minnesota Statutes 1986, sections 122.541, subdivision 2; 125.611, subdivisions 10, 11, 12, and 13; 136D.27; 136D.74, subdivision 2; and 136D.87; repealing Minnesota Statutes 1986, section 125.611, subdivisions 8 and 9.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

#### "APPROPRIATION

#### SUMMARY

#### Section 1. [WORDS OF APPROPRIATION; TABLE.]

The sums shown are appropriated from the general fund, or any other named fund, to the agencies for the purposes specified in this act, to be available for the fiscal year indicated for each purpose. The figures "1988" and "1989," where used in this act, mean that the appropriation or appropriations listed under them are available for the year ending June 30, 1988, or June 30, 1989, respectively.

SUMMARY BY FUND

	<u>1988</u>	<u>1989</u>	<u>TOTAL</u>
<u>General</u>	<u>\$1,477,644,355</u>	<u>\$1,523,571,097</u>	<u>\$3,001,215,452</u>
<u>Public Health</u>	<u>693,000</u>	<u>719,600</u>	<u>1,412,600</u>
<u>Trunk Hwy</u>	<u>20,700</u>	<u>20,700</u>	<u>41,400</u>

## ARTICLE 1

## FOUNDATION AID

Section 1. Minnesota Statutes 1986, section 124.17, subdivision 1, is amended to read:

Subdivision 1. Pupil units for each resident pupil in average daily membership shall be counted as follows:

(1) In a program approved by the commissioner, for each handicapped prekindergarten pupil, one-half pupil unit for up to 437 hours of education services in the school year as provided in the pupil's individual education plan or, for more than 437 hours of education services, a number of pupil units equal to the ratio of the number of hours of education service required in the school year by the pupil's individual education program plan, developed pursuant to the rules of the state board, to 875, but not more than one pupil unit;

(2) In an elementary school:

(a) For each handicapped kindergarten pupil, as defined in section 120.03, enrolled in a program approved by the commissioner, a number of pupil units equal to the ratio of the number of hours of education services required in the school year by the pupil's individual education program plan, developed pursuant to the rules of the state board, to 875, but not more than one pupil unit;

(b) For kindergarten pupils, other than those in clause (a), enrolled in one-half day sessions throughout the school year or the equivalent thereof, one-half pupil unit; and

(c) For other elementary pupils, one pupil unit.

(3) In secondary schools, for the 1987-1988 school year, 1-4/10 pupil units. In secondary schools, for the 1988-1989 school year and each year thereafter, 1-3/10 pupil units. Pupils enrolled in the seventh and eighth grades of any school shall be counted as secondary pupils.

Sec. 2. Minnesota Statutes 1986, section 124.17, subdivision 1a, is amended to read:

Subd. 1a. [AFDC PUPIL UNITS.] In addition to the pupil units counted under subdivision 1, pupil units shall be counted as provided in this subdivision, beginning with the ~~1986-1987~~ 1988-1989 school year.

(1) Each pupil in subdivision 1 from a family receiving aid to families with dependent children or its successor program who is enrolled in the school district on October 1 of the ~~previous school year~~ second fiscal year of the previous biennium shall be counted as an additional five-tenths pupil unit.

(2) In every district in which the number of pupils from families receiving aid to families with dependent children or its successor program equals six percent or more of the actual pupil units in the district for the same year as computed in subdivision 1, each such pupil shall be counted as an additional one-tenth of a pupil unit for each percent of concentration over five percent of such pupils in the district. The percent of concentration shall be rounded down to the nearest whole percent for this paragraph. In districts in which the percent of concentration is less than six, additional pupil units must not be counted under this paragraph for pupils from families receiving aid to families with dependent children or its successor program. A pupil must not be counted as more than 1-1/10 additional pupil units under this subdivision. The weighting in this paragraph is in addition to the weighting provided in subdivision 1 and paragraph (1).

Sec. 3. Minnesota Statutes 1986, section 124.2138, is amended by adding a subdivision to read:

Subd. 2a. [TRANSPORTATION LEVY EQUITY.] (a) For any nonagricultural district, in any year, if the maximum basic transportation levy limitation of the district is more than the sum of the transportation aid under section 124.225, subdivisions 8b, 8i, 8j, and 8k and article 2, section 7, an amount must be deducted as provided in this subdivision from special state aid authorized in chapters 124 and 124A receivable for the same school year, and from other state payments receivable for the same school year authorized in sections 273.115; 273.116; 273.123, subdivision 6; 273.13, subdivision 15a; and Laws 1983, chapter 342, article 8, section 8, to the extent that those special state aid payments and other state payments are not reduced under sections 18, 19, and 20. However, the aid authorized in section 124.646 must not be reduced.

(b) The amount of the deduction equals the difference between:

(1) the district's maximum basic transportation levy limitation;  
and

(2) the sum of the district's transportation aid computation under section 124.225, subdivisions 8b, 8i, 8j, and 8k and article 2, section 7, less the amount of any aid reduction due to an insufficient appropriations as provided in section 124.225, subdivision 8a.

Sec. 4. Minnesota Statutes 1986, section 124.2138, subdivision 4, is amended to read:

Subd. 4. [NONAGRICULTURAL DISTRICT DEFINED.] For the purposes of this section and ~~section 124A.037~~ sections 3, 18, 19 and 20, nonagricultural district means a district where the assessed valuation of agricultural land identified in section 273.13, subdivision 23, comprises less than 60 percent of the assessed valuation of the district.

Sec. 5. Minnesota Statutes 1986, section 124.2162, is amended by adding a subdivision to read:

Subd. 3. [REDISTRIBUTION.] For purposes of aid calculations, the commissioner may redistribute current year teacher retirement and F.I.C.A. obligations between districts entering into agreements or other arrangements for sharing of instructional time of staff who would otherwise qualify for teacher retirement and F.I.C.A. obligations to adjust for changes in staffing patterns between the base year and the current year resulting from the agreements.

Sec. 6. Minnesota Statutes 1986, section 124A.01, is amended to read:

#### 124A.01 [FOUNDATION AID COMPONENTS.]

Foundation aid shall equal the sum of the following:

- (a) basic aid;
- (b) cost differential tier aid;
- (c) second tier aid;
- (d) third tier aid;
- (e) fourth tier aid;
- (f) fifth tier aid;
- (g) minimum aid; and
- (h) ~~declining pupil aid; and~~

(i) shared time pupil aid.

Sec. 7. Minnesota Statutes 1986, section 124A.02, is amended by adding a subdivision to read:

Subd. 5a. [BASIC FOUNDATION AID; 1987-1988 SCHOOL YEAR.] A district's basic foundation aid for the 1987-1988 school year equals its basic foundation revenue for that school year, minus the lesser of (1) the basic maintenance mill rate times the applicable adjusted assessed valuation of the district; or (2) \$1,700 times the district's total pupil units for that school year.

Sec. 8. Minnesota Statutes 1986, section 124A.02, subdivision 7, is amended to read:

Subd. 7. [BASIC MAINTENANCE MILL RATE.] "Basic maintenance mill rate" means the mill rate applicable to the adjusted assessed valuation of a district, used in the computation of basic foundation aid for a particular school year and of the basic maintenance levy for use in that school year. The basic maintenance mill rate shall be .024 for the 1983 payable 1984 levies and for foundation aid for the 1984-1985 school year. The basic maintenance mill rate shall be .0235 for the 1984 payable 1985 levies and for foundation aid for the 1985-1986 school year. The basic maintenance mill rate for 1985 payable 1986 levies and each year thereafter, and for foundation aid for the 1986-1987 school year and each year thereafter, shall be established as provided in section 124A.03, subdivision 1a.

Sec. 9. Minnesota Statutes 1986, section 124A.02, subdivision 8, is amended to read:

Subd. 8. [EQUALIZING FACTOR.] "Equalizing factor" means a number equal to the minimum EARC valuation per total pupil unit which disqualifies a district from earning any basic foundation aid. The equalizing factor for the 1987-1988 school year and for levies for use in that school year equals \$74,890. The equalizing factor for each school year, except the 1987-1988 school year, and for levies for use in that school year equals the ratio, rounded to the nearest dollar, of the foundation aid formula allowance for that school year to the basic maintenance mill rate for that school year.

Sec. 10. Minnesota Statutes 1986, section 124A.02, subdivision 9, is amended to read:

Subd. 9. [FORMULA ALLOWANCE.] "Foundation aid formula allowance" or "formula allowance" means the amount of revenue per pupil unit used in the computation of foundation aid for a particular school year and in the computation of permissible levies for use in that school year. The formula allowance shall be \$1,585 for the 1984 payable 1985 levies and for foundation aid for the 1985-1986 school year. The formula allowance shall be \$1,690 for the 1985 payable

1986 levies and for foundation aid for the 1986-1987 school year. The formula allowance is \$1,700 \$1,944 for the 1986 payable 1987 levies and for foundation aid for the 1987-1988 school year.

The formula allowance is \$2,100 for the 1987 payable 1988 levies and for foundation aid for the 1988-1989 school year.

Sec. 11. Minnesota Statutes 1986, section 124A.02, subdivision 16, is amended to read:

Subd. 16. [PUPIL UNITS, AFDC.] ~~For the 1984-1985 and 1985-1986 school years, "AFDC pupil units" means 98.5 percent of the pupil units identified in Minnesota Statutes 1980, section 124.17, subdivision 1, clauses (4) and (5) in the 1980-1981 school year.~~

For the 1986-1987 and 1987-1988 school year and each year thereafter years, "AFDC pupil units" means the pupil units identified in Minnesota Statutes 1986, section 124.17, subdivision 1a for the 1986-1987 school year. For the 1988-1989 school year and each year thereafter, "AFDC pupil units" means the pupil units identified in section 124.17, subdivision 1a, multiplied by 88 percent.

Sec. 12. Minnesota Statutes 1986, section 124A.02, is amended by adding a subdivision to read:

Subd. 25. [TOTAL FOUNDATION REVENUE.] A district's "total foundation revenue" means the sum of the district's basic foundation revenue and tier revenue, but does not include the portion of the cost differential revenue attributable to the equity allowance and the secondary weighting decline allowance, as defined in section 23.

Sec. 13. Minnesota Statutes 1986, section 124A.02, is amended by adding a subdivision to read:

Subd. 26. [STATEWIDE AVERAGE FOUNDATION REVENUE PER ACTUAL PUPIL UNIT.] (a) "Statewide average foundation revenue per actual pupil unit" means the sum of basic foundation revenue and tier revenue for all school districts divided by the number of actual pupil units in all districts for that year. The tier revenue does not include the portion of the cost differential tier revenue attributable to the formula equity allowance or the secondary weighting decline allowance, as defined in section 23.

(b) The commissioner shall compute the statewide average foundation revenue per actual pupil unit each school year and shall notify all districts of it before the districts' levies are required to be certified in the October immediately following the end of that school year. The commissioner shall use the latest available information in computing the statewide average foundation revenue under this



subdivision and must not adjust the amount after the levies are certified for a particular year.

Sec. 14. Minnesota Statutes 1986, section 124A.03, subdivision 1a, is amended to read:

Subd. 1a. [ESTABLISHMENT OF BASIC MAINTENANCE MILL RATE.] (a) The commissioner of revenue shall establish the basic maintenance mill rate and certify it to the commissioner of education by August 1 of each year for levies payable in the following year. The established basic maintenance mill rate shall be a rate, rounded up to the nearest ~~tenth~~ hundredth of a mill, which when applied to the adjusted assessed valuation of taxable property for each school district under subdivision 1 or 3, as applicable, raises the total amount specified in this section.

(b) ~~The basic maintenance mill rate for the 1985 payable 1986 levies and for foundation aid for the 1986-1987 school year shall be established at a rate that raises a total of \$702,000,000. The basic maintenance mill rate for the 1986 payable 1987 levies and for foundation aid for the 1987-1988 school year shall be set at a rate that raises \$692,000,000. The basic maintenance mill rate for the 1987 payable 1988 levies and for foundation aid for the 1988-1989 school year must be set to raise \$793,906,000. The basic maintenance mill rate computed by the commissioner of revenue must not be recomputed due to changes or corrections made in a school district's adjusted assessed valuation after the mill rate has been certified to the department of education pursuant to paragraph (a).~~

Sec. 15. Minnesota Statutes 1986, section 124A.03, subdivision 3, is amended to read:

Subd. 3. [BASIC MAINTENANCE LEVY; DISTRICTS OFF THE FORMULA.] In any year when the amount of the maximum levy limitation under subdivision 1 for any district, exceeds the product of the district's foundation aid formula allowance for the year in which the levy is recognized as revenue times the estimated number of total pupil units for that district for that school year, the levy limitation for that district under subdivision 1 shall be limited to the greater of the dollar amount of the levy the district certified in 1977 under Minnesota Statutes 1978, section 275.125, subdivision 2a, clause (1), or the following difference but not to exceed the levy limitation under subdivision 1:

(a) (1) the product of the district's foundation aid formula allowance for the school year in which the levy is recognized as revenue, times the estimated number of total pupil units for that district for that school year; plus (2) the amount by which special state aids authorized in chapters 124 and 124A, receivable for the same school year, excluding aid authorized in section 124.646, are estimated to be reduced under section 18; plus (3) the amount by which state aid

payments receivable for the same school year authorized in sections 273.115; 273.116; 273.123, subdivision 6; 273.13, subdivision 15a; and Laws 1983, chapter 342, article 8, section 8, are estimated to be reduced under section 18; less

(b) the estimated amount of any payments which would reduce the district's foundation aid entitlement as provided in section 124A.035, subdivision 4 in the school year in which the levy is recognized as revenue.

A levy made by a district pursuant to this subdivision shall be construed to be the levy made by that district pursuant to subdivision 1, for purposes of statutory cross-reference.

Sec. 16. Minnesota Statutes 1986, section 124A.03, is amended by adding a subdivision to read:

Subd. 3a. [BASIC MAINTENANCE LEVY; DISTRICTS OFF THE FORMULA; 1987-1988 SCHOOL YEAR.] If the amount of the maximum levy limitation under subdivision 1 for any district exceeds the product of \$1,700 times the estimated number of total pupil units for that district for the 1987-1988 school year, the levy limitation for that district under subdivision 1 is limited to the greater of the dollar amount of the levy the district certified in 1977 under Minnesota Statutes 1978, section 275.125, subdivision 2a, clause (1), or the following difference but not to exceed the levy limitation under subdivision 1:

(a) the product of \$1,700 times the estimated number of total pupil units for the 1987-1988 school year; less

(b) the estimated amount of any payments which would reduce the district's foundation aid entitlement as provided in section 124A.035, subdivision 4, in the school year in which the levy is recognized as revenue.

A levy made by a district under this subdivision shall be construed to be the levy made by that district under subdivision 1 for purposes of statutory cross-reference.

Sec. 17. Minnesota Statutes 1986, section 124A.033, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] For the purposes of computing foundation aid for summer programs and intersession classes of flexible school year programs, the following phrases shall have the meanings given them.

(1) "Summer program pupil units" means full-time equivalent pupil units, computed under section 124.17, for summer programs and intersession classes of flexible school year programs.

(2) For 1986 and 1987 summer programs, "summer program revenue allowance" means an amount equal to the product of the number of summer program pupil units in a district, times the foundation aid formula allowance as defined in section 124A.02 for the preceding regular school year. For summer programs in 1988 and later years, "summer program revenue allowance" means an amount equal to the product of the number of summer program pupil units in a district times 89 percent of the foundation aid formula allowance as defined in section 124A.02 for the last regular school year.

(3) "Summer program aid" means aid for summer programs and intersession classes of flexible school year programs.

Sec. 18. [124A.0371] [BASIC MAINTENANCE LEVY EQUITY.]

(a) For a nonagricultural district, if the amount of the maximum levy limitation under section 124A.03, subdivision 1, for a school year is more than the district's basic foundation revenue for that school year, an amount must be deducted as provided in this subdivision from special state aid authorized in chapters 124 and 124A, receivable for the same school year, and from other state payments receivable for the same school year authorized in sections 273.115; 273.116; 273.123, subdivision 6; 273.13, subdivision 15a; and Laws 1983, chapter 342, article 8, section 8. The aid authorized in section 124.646 must not be reduced.

(b) The amount of the deduction equals the difference between:

(1) the sum of the amount of the district's maximum levy limitation under section 124A.03, subdivision 1, plus the amount of reductions to that levy limitation under sections 124A.03, subdivision 3, and 275.125, subdivision 9; and

(2) the district's basic foundation revenue.

Sec. 19. [124A.0372] [COST DIFFERENTIAL TIER LEVY EQUITY.]

For a nonagricultural district, if the amount of the maximum levy limitation under section 124A.06, subdivision 3a, for a school year is more than the district's cost differential tier revenue for that school year, an amount must be deducted as provided in this subdivision from special state aid authorized in chapters 124 and 124A, receivable for the same school year, and from other state payments receivable for the same school year authorized in sections 273.115; 273.116; 273.123, subdivision 6; 273.13, subdivision 15a; and Laws

1983, chapter 342, article 8, section 8, to the extent that the special state aid payments and the other state payments are not reduced under section 18. The aid authorized in section 124.646 must not be reduced.

The amount of the deduction equals the difference between the result in paragraph (a) and paragraph (b).

(a) Make the computations in clauses (1) to (3).

(1) Divide the adjusted assessed valuation for the year preceding the year the levy is certified by the total pupil units for the year to which the levy is attributable.

(2) Divide the result in clause (1) by the equalizing factor for the school year to which the levy is attributable.

(3) Multiply the result in clause (2) by the district's cost differential tier revenue for the school year to which the levy is attributable.

(b) From the result in paragraph (a) subtract the district's cost differential tier revenue.

#### Sec. 20. [124A.0373] [SECOND TIER LEVY EQUITY.]

For a nonagricultural district, if the amount of the maximum levy limitation under section 124A.08, subdivision 3a, for a school year is more than the district's second tier revenue for that school year, an amount must be deducted as provided in this subdivision from special state aid authorized in chapters 124 and 124A, receivable for the same school year, and from other state payments receivable for the same school year authorized in sections 273.115; 273.116; 273.123, subdivision 6; 273.13, subdivision 15a; and Laws 1983, chapter 342, article 8, section 8, to the extent that the special state aid payments and the other state payments are not reduced under sections 18 and 19. The aid authorized in section 124.646 must not be reduced.

The amount of the deduction equals the difference between the results in paragraphs (a) and (b).

(a) Make the computations in clauses (1) to (3).

(1) Divide the adjusted assessed valuation for the year preceding the year the levy is certified by the total pupil units for the year to which the levy is attributable.

(2) Divide the result in clause (1) by the equalizing factor for the school year to which the levy is attributable.

(3) Multiply the result in clause (2) by the district's second tier revenue for the school year to which the levy is attributable.

(b) From the result in paragraph (a) subtract the district's second tier revenue.

Sec. 21. [124A.05] [SPARSITY AMOUNT.]

Subdivision 1. [DEFINITIONS.] The definitions in this subdivision apply in this section.

(a) "High school" means a secondary school, as defined in section 120.05, subdivision 2, clause (3), that enrolls pupils in each of grades 10, 11, and 12. If a district has entered into an agreement providing for the discontinuance of one or more grade levels according to section 122.535 or 122.541, and if there is no secondary school in the district that enrolls pupils in each of grades 10, 11, and 12, then the commissioner shall name one school in the district as a high school for this section.

(b) (1) In a district with only one high school, "secondary average daily membership" means the average daily membership of resident pupils in grades 7 through 12, as defined in section 124.17, subdivision 2.

(2) In a school district with more than one high school, "secondary average daily membership" for a particular high school means the product of the number of resident pupils enrolled in grades 7 through 12 in average daily membership in that high school, as defined in section 124.17, subdivision 2, times the ratio of six to the number of grades in that high school.

(c) "Attendance area" means the quotient of the total surface area in square miles of a district divided by the number of high schools in the district.

(d) "Isolation index" means the sum of

(1) the distance in miles measured by the usual traveled routes between a particular high school in a district and the nearest other high school, plus

(2) the square root of one-half the attendance area.

(e) "Qualifying high school" means a high school with an isolation index of greater than 18 and with secondary average daily membership of less than 500 in the year for which the aid is to be paid.

Subd. 2. [COMPUTATION.] A district's sparsity amount for a school year equals the sum of the amounts determined by computing the following product for each qualifying high school in the district:

(a) the foundation aid formula allowance for the school year, multiplied by

(b) the secondary average daily membership of the high school, multiplied by

(c) the quotient obtained by dividing (1) the remainder of 500 minus the secondary average daily membership by (2) the sum of 500 plus the secondary daily membership, multiplied by

(d) the quotient obtained by dividing (1) the remainder of the isolation index minus 18 by (2) the isolation index, multiplied by

(e) two.

Subd. 3. [ISOLATED ELEMENTARY SCHOOLS.] A district operating an elementary school, as defined in section 120.05, subdivision 2, that enrolls fewer than 20 pupils, and that is at least 50 miles by the usual traveled routes from the nearest other Minnesota elementary school, shall receive an additional sparsity amount equal to the foundation aid formula allowance times the number of pupils enrolled in that school, times two.

Sec. 22. [124A.051] [TEACHER RETIREMENT AND F.I.C.A. GUARANTEE.]

A district's "teacher retirement and F.I.C.A. guarantee" for each school year equals:

(a) the sum of

(1) its teacher retirement and F.I.C.A. aid for fiscal year 1987 under section 124.2162; plus

(2) the amount of teacher retirement and F.I.C.A. aid for fiscal year 1987 under section 124.2163, allocated to the district by intermediate districts and other employing units of which it is a member, divided by:

(b) its actual pupil units for the 1986-1987 school year.

For this section, intermediate school districts and other employing units as defined in section 124.2161, shall allocate the amount of their teacher retirement and F.I.C.A. aid for fiscal year 1987 among their member school districts.

Sec. 23. Minnesota Statutes 1986, section 124A.06, is amended to read:

124A.06 [COST DIFFERENTIAL TIER.]

Subdivision 1. [COST DIFFERENTIAL TIER ALLOWANCE.] "Cost differential tier allowance" means the amount of revenue per actual pupil unit used to compute the cost differential tier aid for a school year and levy for use in the same school year. A district's cost differential tier allowance for the 1987-1988 school year shall be the sum of the sparsity allowance and the training and experience allowance. A district's cost differential tier allowance for the 1988-1989 school year and each year thereafter is the sum of the sparsity allowance, the training and experience allowance, the excess retirement allowance, the formula equity allowance, and the secondary weighting decline allowance.

Subd. 1a. [SPARSITY ALLOWANCE.] A district's sparsity allowance for the 1987-1988 school year shall be the result of the following computation:

(a) Multiply two times the district's sparsity replacement component for the 1980-1981 school year, assuming that Minnesota Statutes 1982, section 124.2124, subdivision 1, had been effective for the 1980-1981 school year.

(b) Divide the result in clause (a) by the actual pupil units in the district for the 1980-1981 school year.

(c) Divide the formula allowance for the school year \$1,700 by \$1,265.

(d) Multiply the result in clause (b) by the result in clause (c).

A district's sparsity allowance for the 1988-1989 school year and each year thereafter equals the district's sparsity amount for that school year according to section 21, divided by the actual pupil units in the school district for that school year.

Subd. 1b. [TRAINING AND EXPERIENCE ALLOWANCE.] A district's training and experience allowance shall be the greater of zero or the result of the following computation:

(a) Subtract 1.25 from the training and experience index.

(b) Multiply the result in clause (a) by ~~\$300~~ \$400 for the 1984-1985 1987-1988 school year, and by ~~\$400~~ \$633.75 for the ~~1985-1986~~ 1988-1989 school year, and each school year thereafter.

Subd. 1c. [EXCESS RETIREMENT ALLOWANCE.] A district's excess retirement allowance for the 1988-1989 school year and each year thereafter equals the result of the following computation:

(a) Multiply the district's basic foundation revenue for that school year by 0.11.

(b) Divide the result in clause (a) by the actual pupil units in the district for that school year.

(c) Multiply the district's sparsity allowance for that school year by 0.11.

(d) Multiply the district's training and experience allowance for that school year by 0.11.

(e) Subtract the results in clauses (b), (c), and (d) from the teacher retirement and F.I.C.A. guarantee according to section 22.

(f) If the result in clause (e) is less than zero, the excess retirement allowance equals zero.

Subd. 1d. [EXCESS RETIREMENT AID.] A district's excess retirement aid for the 1987-1988 school year equals the greater of the result in clause (c) or (f):

(a) Subtract 1.25 from the training and experience index.

(b) Multiply the result in clause (a) by \$70.

(c) Multiply the result in clause (b) by the actual pupil units for that school year.

(d) Multiply the district's teacher retirement and F.I.C.A. guarantee according to section 22 by the actual pupil units for that school year.

(e) Multiply the total pupil units for that school year by \$214.

(f) Subtract the result in clause (e) from the result in clause (d).

Subd. 1e. [FORMULA EQUITY ALLOWANCE.] (a) A district's formula equity allowance for the 1988-1989 school year is the greater of zero or the result of the following computation:

(1) Subtract the district's total foundation revenue per actual pupil unit from \$2,818.



(2) Subtract from the result in clause (1), the amount by which the district's net unappropriated operating fund balance as of the June 30 before the levy is certified exceeds the second tier levy fund balance subtraction under section 124A.08, subdivision 5.

(b) A district's formula equity allowance for the 1989-1990 school year and each year thereafter is the greater of zero or the result of the following computation:

(1) Subtract the district's total foundation revenue per actual pupil unit from the statewide average foundation revenue per actual pupil unit.

(2) Subtract from the result in clause (1), the amount by which the district's net unappropriated operating fund balance as of the June 30 before the levy is certified exceeds the second tier levy fund balance excess under section 124A.08, subdivision 5.

Subd. 1f. [SECONDARY WEIGHTING DECLINE ALLOWANCE.] A district's secondary weighting decline allowance for the 1988-1989 school year and each year thereafter is the greater of zero or the following computation:

(a) subtract the sum of the district's

(1) total foundation revenue per actual pupil unit, plus

(2) formula equity allowance; from

(b) the product of the district's

(1) prior school year's total foundation revenue, multiplied by

(2) 1.02.

Subd. 2. [COST DIFFERENTIAL TIER REVENUE.] A district's cost differential tier revenue for each school year shall equal the cost differential tier allowance times the district's actual pupil units for that school year.

Subd. 3a. [COST DIFFERENTIAL TIER LEVY.] A district may levy for its cost differential tier revenue an amount not to exceed the lesser of its cost differential tier revenue or that equals the result of the following computation:

(i) (1) Divide the adjusted assessed valuation for the year preceding the year the levy is certified, by the total pupil units for the year to which the levy is attributable.

(ii) (2) Divide the result in clause (i) (1) by the equalizing factor for the school year to which the levy is attributable.

(iii) (3) Multiply the result in clause (ii) (2) by the district's cost differential tier revenue for the school year to which the levy is attributable.

(4) Select the lesser of: the result in clause (3) or the cost differential tier revenue.

(5) Add to the result in clause (4) the amount by which special state aids authorized in chapters 124 and 124A receivable for the same school year, excluding aid authorized in section 124.646, are estimated to be reduced under section 19, plus the amount by which state aid payments receivable for the same school year authorized in sections 273.115; 273.116; 273.123, subdivision 6; 273.13, subdivision 15a; and Laws 1983, chapter 342, article 8, section 8, are estimated to be reduced under section 19.

Subd. 4. [COST DIFFERENTIAL TIER AID.] A district's cost differential tier aid shall be the result of the following computation:

(1) Subtract the amount of the cost differential tier levy from the amount of the cost differential tier revenue.

(2) Divide the actual cost differential tier levy by the permitted cost differential tier levy.

(3) Multiply the result in clause (1) by the result in clause (2).

(4) For the 1987-1988 school year only, add the district's excess retirement aid according to subdivision 1d, to the result in clause (3).

Sec. 24. Minnesota Statutes 1986, section 124A.08, subdivision 1, is amended to read:

Subdivision 1. [SECOND TIER ALLOWANCE.] "Second tier allowance" means the amount of revenue per actual pupil unit used to compute the second tier aid for a particular school year and the corresponding levy for that school year. The second tier allowance is \$150 for the 1987-1988 school year and \$153.75 for the 1988-1989 school year and later school years.

Sec. 25. Minnesota Statutes 1986, section 124A.08, subdivision 3a, is amended to read:

Subd. 3a. [SECOND TIER LEVY.] A district may levy for its second tier revenue an amount ~~not to exceed the lesser of its second tier revenue or that equals~~ the result of the following computation:

(i) (1) Divide the adjusted assessed valuation for the year preceding the year the levy is certified, by the total pupil units for the year to which the levy is attributable.

(ii) (2) Divide the result in clause (i) (1) by the equalizing factor for the school year to which the levy is attributable.

(iii) (3) Multiply the result in clause (ii) (2) by the district's second tier revenue for the school year to which the levy is attributable.

(4) Select the lesser of: the result in clause (3) or the second tier revenue.

(5) Add to the result in clause (4) the amount by which special state aids authorized in chapters 124 and 124A receivable for the same school year, excluding aid authorized in section 124.646, are estimated to be reduced under section 20, plus the amount by which state aid payments receivable for the same school year authorized in sections 273.115; 273.116; 273.123, subdivision 6; 273.13, subdivision 15a; and Laws 1983, chapter 342, article 8, section 8, are estimated to be reduced under section 20.

Sec. 26. Minnesota Statutes 1986, section 124A.08, subdivision 5, is amended to read:

Subd. 5. [SECOND TIER LEVY FUND BALANCE.] (a) For purposes of clauses (b) and (c) of this subdivision, "fund balance excess" means the amount obtained by subtracting from the net operating fund balance as of June 30, 1987, the greater of: (1) \$500 multiplied by the district's total pupil units; or (2) the product of: 15 percent of the district's net unappropriated operating funds expenditure for fiscal year 1987, times 105.1 percent, times the ratio of the district's actual pupil units for the 1988-1989 school year to the district's actual pupil units for the 1986-1987 school year.

(b) The 1987 payable 1988 second tier levy must be reduced by the amount of the fund balance excess times the lesser of (1) one, or (2) the ratio of the district's 1986 adjusted assessed valuation per total pupil unit in the 1988-1989 school year to the equalizing factor.

(c) The second tier aid for the 1988-1989 school year must be reduced by any amount of the fund balance excess that is not subtracted from the levy.

(d) Beginning with the 1983 1988 payable 1984 1989 levy, for a district where the net unappropriated operating fund balance as of the June 30 before the levy is certified exceeds the greater of \$500 per total pupil unit in the year the levy is certified, or the product of (1) 15 percent of the district's net unappropriated operating funds expenditure for the fiscal year ending on the June 30 before the levy

is certified, times (2) the ratio of the formula allowance for the school year for which the levy is attributable to the formula allowance for the school year ending in the year when the levy is certified, times (3) the ratio of the district's actual pupil units for the school year to which the levy is attributable to the district's actual pupil units for the school year ending in the year the levy is certified, the second tier levy shall be reduced by the amount of the fund balance excess times the lesser of (a) (4) one, or (b) (5) the ratio of the district's EARC adjusted assessed valuation for the preceding year per total pupil unit in the school year for which the levy is attributable, to the equalizing factor.

(e) Beginning with the ~~1984-1985~~ 1989-1990 school year, the second tier aid for the year when that levy is used shall be reduced by any amount of the fund balance excess which is not subtracted from the levy.

Sec. 27. Minnesota Statutes 1986, section 124A.10, subdivision 1, is amended to read:

Subdivision 1. [THIRD TIER ALLOWANCE.] "Third tier allowance" means the amount of revenue per actual pupil unit used to compute the third tier aid for a particular school year and the corresponding levy for that school year. The third tier allowance is \$100 for the 1987-1988 school year. For the 1988-1989 school year and later school years the third tier allowance is an amount up to \$112.50 for districts with a professional development program approved by the commissioner of education under article 8, section 16, subdivision 3, or \$102.50 for districts without a professional development plan approved by the commissioner.

Sec. 28. Minnesota Statutes 1986, section 124A.10, is amended by adding a subdivision to read:

Subd. 5. [EXPENDITURE LIMITATIONS.] For any year for which the sum of a district's levy under this section and its aid for the same year under this section exceeds \$102.50 times the actual pupil units in the same year, the amount by which the sum exceeds \$102.50 times the actual pupil units may be expended only for activities approved under the professional development plan.

Sec. 29. Minnesota Statutes 1986, section 124A.12, subdivision 1, is amended to read:

Subdivision 1. [FOURTH TIER ALLOWANCE.] "Fourth tier allowance" means the amount of revenue per actual pupil unit used to compute the fourth tier aid for a particular school year and the corresponding levy for that school year. The fourth tier allowance is \$100 for the ~~1984-1985~~ school year. For the ~~1985-1986~~ 1987-1988 school year and thereafter, the fourth tier allowance is the result of the following computation:

(a) Subtract 1.25 from the training and experience index, and multiply the difference by \$150.

(b) Select the greater of the result in clause (a) or zero.

(c) Add \$100 to the result of clause (b).

For 1988-1989 and later school years, the fourth tier allowance is \$102.50.

Sec. 30. Minnesota Statutes 1986, section 124A.14, subdivision 4, is amended to read:

Subd. 4. [FIFTH TIER ALLOWANCE.] "Fifth tier allowance" means the amount of revenue per actual pupil unit used to compute the fifth tier aid for a particular school year and the corresponding levy for that school year. The fifth tier allowance for the 1987-1988 school year shall equal the previous formula amount plus the minimum increase minus the total tier allowance for the current year. If this result is less than zero, the fifth tier allowance shall equal zero. The fifth tier allowance for 1988-1989 and later school years equals the previous formula amount, plus the minimum increase, plus 11 percent of the sparsity allowance, plus 11 percent of the training and experience allowance, plus the excess retirement allowance, plus the formula equity allowance, plus the secondary weighting decline allowance, plus up to \$10 if the district has a professional development plan approved by the commissioner, minus the total tier allowance for the current year. If this result is less than zero, the fifth tier allowance equals zero.

Sec. 31. [FORMULA EQUITY ALLOWANCE; DISTRICT INFORMATION.]

To be eligible for the equity allowance for the 1988-1989 school year, a district must submit the following to the commissioner by June 30, 1988:

(a) An evaluation conducted by the school district on the district's compliance with state board of education minimum curriculum standards and identification of areas where the district is above the state board minimum standards;

(b) An evaluation as to how the district coordinates the results of district assessments under Minnesota Statutes, section 126.67, subdivision 2a, with improvement of instruction and curriculum to meet instructional goals established according to Minnesota Statutes, section 126.66.

(c) A description of the school district's use of expanded student opportunities including, discontinued grade cooperation, technology

cooperation, shared staff cooperation, expanded enrollment options, consolidation, or any other programs designed to expand student opportunities.

Sec. 32. [LEVY EQUITY REPORT.]

By December 1, 1987, the department of education shall report to the education committees of the legislature on a plan to allow a four-year phase-in of the levy equity provisions in sections 3, 15, 18, 19, and 20. The report shall include methods to adjust the 1987 payable 1988 property tax levies in accordance with a four-year phase-in period.

Sec. 33. [APPROPRIATION.]

Subdivision 1. [TO DEPARTMENT OF EDUCATION.] There is appropriated from the general fund to the department of education the sums indicated in this section for the fiscal years ending June 30 in the years designated.

Subd. 2. [FOUNDATION AID.] For foundation aid there is appropriated:

\$1,070,634,000.....1988;

\$1,108,005,000.....1989.

The appropriation for 1988 includes \$121,713,000 for aid for fiscal year 1987 payable in fiscal year 1988 and \$948,921,000 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriations for 1989 includes \$164,427,000 for aid for fiscal year 1988 payable in fiscal year 1989 and \$943,578,000 for aid for fiscal year 1989 payable in fiscal year 1989.

Subd. 3. [SUMMER PROGRAM.] For summer program aid pursuant to Minnesota Statutes, section 124A.033, subdivision 3, and for summer instructional program aid pursuant to Minnesota Statutes, section 124A.033, subdivision 3a, there is appropriated:

\$8,177,800.....1988,

\$8,100,700.....1989.

The appropriation for fiscal year 1988 is for aid for programs in summer 1987. The appropriation for fiscal year 1989 is for aid for programs in summer 1988.

Subd. 4. [RETIREMENT.] For teacher retirement under Minnesota Statutes, section 124.2162, there is appropriated:

\$33,975,000.....1988.

The appropriation for 1988 is for aid for fiscal year 1987 payable in fiscal year 1988.

Sec. 34. [REPEALER.]

Subdivision 1. [JULY 1, 1987.] Minnesota Statutes 1986, sections 124.2161; 124.2162; and 124.2163, are repealed.

Subd. 2. [JULY 1, 1988.] Minnesota Statutes 1986, section 124A.20, is repealed.

Sec. 35. [EFFECTIVE DATE.]

Section 5 is effective the day following final enactment. Sections 2, 3, and 34, subdivision 2, are effective July 1, 1988.

## ARTICLE 2

### TRANSPORTATION

Section 1. Minnesota Statutes 1986, section 124.223, is amended to read:

124.223 [TRANSPORTATION AID AUTHORIZATION.]

School transportation and related services for which state transportation aid is authorized are:

(1) [TO AND FROM SCHOOL; BETWEEN SCHOOLS.] Transportation or board of resident elementary pupils who reside one mile or more from the public schools which they could attend; transportation or board of resident secondary pupils who reside two miles or more from the public schools which they could attend; transportation to, from, or between the schools the resident pupils attend pursuant to a program approved by the commissioner of education; transportation of resident elementary pupils who reside one mile or more from a nonpublic school actually attended; transportation of resident secondary pupils who reside two miles or more from a nonpublic school actually attended; but with respect to transportation of pupils to nonpublic schools actually attended, only to the extent permitted by sections 123.76 to 123.79;

For the purposes of this clause, a district may designate a licensed day care facility or the residence of a relative as the home of a pupil for part or all of the day, if requested by the pupil's parent or

guardian, and if that facility or residence is within the attendance area of the school the pupil attends.

(2) [OUTSIDE DISTRICT.] Transportation to and from or board and lodging in another district, of resident pupils of a district without a secondary school; the pupils may attend a classified secondary school in another district and shall receive board and lodging in or transportation to and from a district having a classified secondary school at the expense of the district of the pupil's residence;

(3) [SECONDARY VOCATIONAL CENTERS.] Transportation to and from a state board approved secondary vocational center for secondary vocational classes for resident pupils of any of the districts who are members of or participating in programs at that center;

(4) [HANDICAPPED.] Transportation or board and lodging of a handicapped pupil when that pupil cannot be transported on a regular school bus, the conveying of handicapped pupils between home and school and within the school plant, necessary transportation of handicapped pupils from home or from school to other buildings, including centers such as developmental achievement centers, hospitals and treatment centers where special instruction or services required by section 120.17 are provided, within or outside the district where services are provided, and necessary transportation for resident handicapped pupils required by section 120.17, subdivision 4a. Transportation of handicapped pupils between home and school shall not be subject to the requirement in clause (1) that elementary pupils reside at least one mile from school and secondary pupils reside at least two miles from school in order for the transportation to qualify for aid;

(5) [BOARD AND LODGING; NONRESIDENT HANDICAPPED.] When necessary, board and lodging for nonresident handicapped pupils in a district maintaining special classes;

(6) [SHARED TIME.] Transportation from one educational facility to another within the district for resident pupils enrolled on a shared time basis in educational programs approved by the commissioner of education, and necessary transportation required by section 120.17, subdivision 9 for resident handicapped pupils who are provided special instruction and services on a shared time basis;

(7) [FARIBAULT STATE SCHOOLS.] Transportation for residents to and from the Minnesota school for the deaf or the Minnesota braille and sight-saving school;

(8) [SUMMER INSTRUCTIONAL PROGRAMS.] Services described in clauses (1) to (7) and (9) and (10) when provided in conjunction with a summer program eligible for aid and levy under sections 124A.03 and 124A.033;



(9) [COOPERATIVE ACADEMIC AND VOCATIONAL.] Transportation to, from or between educational facilities located in any of two or more school districts jointly offering academic classes approved by the commissioner or secondary vocational classes not provided at a secondary vocational center which are approved by the commissioner for resident pupils of any of these districts; and

(10) [NONPUBLIC SUPPORT SERVICES.] Necessary transportation within district boundaries between a nonpublic school and a public school or a neutral site for nonpublic school pupils who are provided pupil support services pursuant to section 123.935.

Sec. 2. Minnesota Statutes 1986, section 124.225, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] For purposes of this section, the terms defined in this subdivision have the meanings given to them.

(a) "FTE" means a transported full-time equivalent pupil whose transportation is authorized for aid purposes by section 124.223.

(b) "Authorized cost for regular transportation" means the sum of:

(1) all expenditures for transportation in the regular category, as defined in clause (e)(1), for which aid is authorized in section 124.223, plus

(2) an amount equal to one year's depreciation on the district's school bus fleet and mobile units computed on a straight line basis at the rate of 12½ percent per year of the cost of the fleet, plus

(3) an amount equal to one year's depreciation on district school buses reconditioned by the department of corrections computed on a straight line basis at the rate of 33⅓ percent per year of the cost to the district of the reconditioning, plus

(4) an amount equal to one year's depreciation on the district's type three school buses, as defined in section 169.44, subdivision 15, which were purchased after July 1, 1982 for authorized transportation of pupils, with the prior approval of the commissioner, computed on a straight line basis at the rate of 20 percent per year of the cost of the type three school buses.

(c) "Adjusted authorized predicted cost per FTE" means the authorized cost predicted by a multiple regression formula determined by the department of education, and adjusted pursuant to subdivision 7a.

(d) "Aid entitlement per FTE" means the adjusted authorized predicted cost per FTE, inflated pursuant to subdivision 7b.

(e) "Transportation category" means a category of transportation service provided to pupils. For the 1984-1985 and 1985-1986 school years, each category includes transportation provided during the regular school year and in conjunction with a summer program eligible for aid and levy under sections 124A.03 and 124A.033. For purposes of this section, transportation categories for the 1984-1985 and 1985-1986 school years are as follows:

(1) regular transportation is transportation services provided under section 124.223, clauses (1) and (2), excluding transportation between schools under section 124.223, clause (1);

(2) nonregular transportation is transportation services provided between schools under section 124.223, clause (1); and transportation services provided under section 124.223, clauses (3), (4), (5), (6), (7), (9), and (10).

(1) For the purposes of this section, transportation categories for the 1986-1987 and 1987-1988 school year and thereafter years are as follows:

(1) (i) regular transportation is transportation services provided during the regular school year under section 124.223, clauses (1) and (2), excluding transportation between schools under section 124.223, clause (1); and

(2) (ii) nonregular transportation is transportation services provided between schools under section 124.223, clause (1); and transportation services provided under section 124.223, clauses (3), (4), (5), (6), (7), (8), (9), and (10).

(2) For purposes of this section, in the 1988-1989 school year and after:

(i) regular transportation is transportation services provided during the regular school year under section 124.223, clauses (1) and (2), excluding the following transportation services provided under section 124.223, clause (1): transportation between schools; noon transportation to and from school for kindergarten pupils attending half-day sessions; late transportation home from school for pupils involved in after school activities; transportation of pupils to and from schools located outside their normal attendance areas under the provisions of a plan for desegregation mandated by the state board of education or under court order; and

(ii) nonregular transportation is transportation services provided under section 124.223, clause (1) that are excluded from the regular category, and transportation services provided under section 124.223, clauses (3), (4), (5), (6), (7), (8), (9), and (10).

(f) "Pupil weighting factor" means the ratio of the actual district average cost per FTE in a particular transportation category in the base year to the actual district average cost per FTE in the regular transportation category in the base year.

(g) "Weighted FTE's" means the number of FTE's in each transportation category multiplied by the pupil weighting factor for that category.

(h) "Mobile unit" means a vehicle or trailer designed to provide facilities for educational programs and services, including diagnostic testing, guidance and counseling services and health services. A mobile unit located off nonpublic school premises is a neutral site as defined in section 123.932, subdivision 9.

(i) "Current year" means the school year for which aid will be paid.

(j) "Base year" means the second school year preceding the school year for which aid will be paid.

(k) "Base cost for the 1984-1985 and 1985-1986 base years means the authorized regular transportation cost per FTE in the base year in the regular transportation category, excluding summer school transportation. Base cost in the 1986-1987 base year and after means the ratio of:

(1) the sum of:

(i) the authorized cost in the base year for regular transportation as defined in clause (b), plus

(ii) the actual cost in the base year for transportation to and from school of secondary pupils who live more than one mile but less than two miles from the public school which they could attend or from the nonpublic school actually attended, plus

(iii) the actual cost in the base year for transportation costs which are necessary because of extraordinary traffic hazards,

(2) to the sum of:

(i) the number of FTE pupils transported in the regular category in the base year, plus

(ii) the number of secondary pupils transported to and from school in the base year who live more than one mile but less than two miles from the public school which they could attend or from the nonpublic school actually attended, plus

(iii) the number of pupils residing less than one mile from school who were transported to and from school in the base year because of extraordinary traffic hazards.

(l) "Predicted base cost" means the base cost as predicted by subdivision 3.

Sec. 3. Minnesota Statutes 1986, section 124.225, subdivision 4b, is amended to read:

Subd. 4b. ~~[FORMULA TERMS, 1984-1985 AND AFTER.]~~ To predict the logarithm of the base cost for each district pursuant to subdivision 3 for ~~each school year the 1985-1986 base year~~, the multiple regression formula shall use the following terms for each district:

(1) the logarithm of the lesser of (a) the number of authorized FTE's per square mile transported by the district in the regular transportation category, or (b) 200;

(2) whether the district is nonrural, based upon criteria established by the department of education; and

(3) the logarithm of the percentage of all FTE's transported in the regular category using buses that are not owned by the district.

To predict the logarithm of the base cost for each district pursuant to subdivision 3 for the 1986-1987 base year and after, the multiple regression formula shall use the following terms for each district:

(1) the logarithm of the lesser of:

(a) 200 or

(b) the quotient obtained by dividing the sum of:

(i) the number of FTE pupils transported in the regular category in the base year, plus

(ii) the number of secondary pupils transported to and from school in the base year who live more than one mile but less than two miles from the public school which they could attend or from the nonpublic school actually attended, plus

(iii) the number of pupils residing less than one mile from school who were transported to and from school in the base year because of extraordinary traffic hazards,

by the area of the district in square miles;

(2) whether the district is nonrural, based upon criteria established by the department of education; and

(3) the logarithm of the percentage of all FTE's transported in the regular category using buses that are not owned by the district.

Sec. 4. Minnesota Statutes 1986, section 124.225, subdivision 7b, is amended to read:

Subd. 7b. [INFLATION FACTORS.] The adjusted authorized predicted cost per FTE determined for a district under subdivision 7a for the base year shall be increased by ~~10.3~~ 6.0 percent to determine the district's aid entitlement per FTE for the ~~1984-1985~~ 1986-1987 school year, by ~~8.9~~ 4.9 percent to determine the district's aid entitlement per FTE for the ~~1985-1986~~ 1987-1988 school year, and by ~~6.0~~ 4.1 percent to determine the district's aid entitlement per FTE for the ~~1986-1987~~ 1988-1989 school year.

Sec. 5. Minnesota Statutes 1986, section 124.225, subdivision 8a, is amended to read:

Subd. 8a. [AID.] For the ~~1984-1985~~ and ~~1985-1986~~ school years a district's transportation aid shall be equal to the sum of its basic transportation aid pursuant to subdivision 8b, its nonregular transportation aid pursuant to subdivision 8i, and its nonregular transportation levy equalization aid pursuant to subdivision 8j, minus its contracted services aid reduction pursuant to subdivision 8k, minus the amount raised by 1.75 mills times the adjusted assessed valuation which is used to compute the transportation levy limitation for the levy attributable to that school year. A district may levy less than the amount raised by 1.75 mills. Transportation aid shall be computed as if the district had levied the amount raised by 1.75 mills.

(a) For the ~~1986-1987~~ and ~~1987-1988~~ school year and each year thereafter years, a district's transportation aid shall be equal to the sum of its basic transportation aid pursuant to subdivision 8b, its nonregular transportation aid pursuant to subdivision 8i, and its nonregular transportation levy equalization aid pursuant to subdivision 8j, minus its contracted services aid reduction pursuant to subdivision 8k, minus the amount raised by 2.25 mills times the adjusted assessed valuation which is used to compute the transportation levy limitation for the levy attributable to that school year. A district may levy less than the amount raised by 2.25 mills. Transportation aid shall be computed as if the district had levied the amount raised by 2.25 mills.

(b) For the 1988-1989 school year and after, a district's transportation aid is equal to the sum of its basic transportation aid under subdivision 8b, its nonregular transportation aid under subdivision 8i, its nonregular transportation levy equalization aid under subdivi-

vision 8j, and its excess transportation levy equalization aid under section 7, minus its contracted services aid reduction under subdivision 8k, minus its basic transportation levy limitation for the levy attributable to that school year under section 275.125, subdivision 5.

(c) If the total appropriation for transportation aid for any fiscal year is insufficient to pay all districts the full amount of aid earned, the department of education shall reduce each district's aid in proportion to the number of resident pupils in average daily membership in the district to the state total average daily membership, and shall reduce the aid entitlement of off-formula districts in the same proportion.

Sec. 6. Minnesota Statutes 1986, section 124.225, subdivision 8i, is amended to read:

Subd. 8i. [NONREGULAR TRANSPORTATION AID.] ~~For the 1984-1985 school year and each year thereafter,~~ (a) A district's nonregular transportation aid shall be determined pursuant to this subdivision.

(b) For the 1986-1987 and 1987-1988 school years, nonregular transportation aid shall equal ~~(a)~~ (1) 20 percent of the first \$10 of actual cost in the current year for nonregular transportation services per total pupil unit, plus 40 percent of the next \$10 of actual cost in the current year for nonregular transportation services per total pupil unit, plus 60 percent of the actual cost in the current year for nonregular transportation services per total pupil unit which exceeds \$20, times ~~(b)~~ (2) the number of total pupil units in the district in the current year.

(c) For the 1988-1989 school year and after, nonregular transportation aid equals (1) 60 percent of the actual cost in the current year for nonregular transportation services per total pupil unit which exceeds \$30, times (2) the number of total pupil units in the district in the current year.

Sec. 7. Minnesota Statutes 1986, section 124.225, is amended by adding a subdivision to read:

Subd. 8l. [EXCESS TRANSPORTATION LEVY EQUALIZATION AID.] For the 1988-89 school year and after, a district's excess transportation levy equalization aid shall be determined pursuant to this subdivision.

(a) Excess transportation revenue shall be the result of the following computation:

(i) Multiply the base cost computed using data for the current school year according to subdivision 1, clause (k) by the sum of the

number of secondary pupils transported to and from school in the current year who live more than one mile but less than two miles from the public school which they could attend or the nonpublic school actually attended, plus the number of pupils residing less than one mile from school who were transported to and from school in the current year due to extraordinary traffic hazards.

(ii) Add to the result in clause (i) the actual cost in the current year of other related services which are necessary because of extraordinary traffic hazards.

(b) The excess transportation levy is the levy authorized by section 10.

(c) Excess transportation levy equalization aid for a district shall equal the product of (1) its excess transportation revenue, minus the excess transportation levy limitation for that year, times (2) the ratio of the district's actual excess transportation levy to its excess transportation levy limitation.

Sec. 8. Minnesota Statutes 1986, section 124.225, subdivision 10, is amended to read:

Subd. 10. [DEPRECIATION.] Any school district which owns school buses or mobile units shall transfer annually from the unappropriated fund balance account in its transportation fund to the appropriated fund balance account for bus purchases in its transportation fund at least an amount equal to 12½ percent of the original cost of each type one or type two bus or mobile unit until the original cost of each type one or type two bus or mobile unit is fully amortized, plus 20 percent of the original cost of each type three bus included in the district's authorized cost under the provisions of subdivision 1, clause (b)(4), until the original cost of each type three bus is fully amortized, plus 33⅓ percent of the cost to the district as of July 1 of each year for school bus reconditioning done by the department of corrections until the cost of the reconditioning is fully amortized; provided, if the district's transportation aid is reduced pursuant to subdivision 8a because the appropriation for that year is insufficient, this amount shall be reduced in proportion to the reduction pursuant to subdivision 8a as a percentage of the sum of

(1) the district's total transportation aid without the reduction pursuant to subdivision 8a, plus

(2) for fiscal years 1985 and 1986 an amount equal to 1.75 mills times the adjusted assessed valuation of the district for the preceding year, and for fiscal year 1987 and thereafter, 2.25 mills times the adjusted assessed valuation of the district for the preceding year, the district's basic transportation levy limitation under section 275.125, subdivision 5, plus

(3) the district's contract services aid reduction under subdivision 8k, plus

(4) the district's nonregular transportation levy limitation under section 275.125, subdivision 5c, plus

(5) the district's excess transportation levy limitation pursuant to section 10.

Sec. 9. Minnesota Statutes 1986, section 275.125, subdivision 5, is amended to read:

Subd. 5. [BASIC TRANSPORTATION LEVY.] For school transportation services, a school district may levy an amount not to exceed the amount raised by a levy of 2.25 mills times the adjusted assessed valuation of the taxable property of the district for the preceding year. Beginning with levies certified in 1987 and each year thereafter, a school district may levy for school transportation services, an amount not more than the amount raised by the basic transportation mill rate times the adjusted assessed valuation of the district for the preceding year. The commissioner of revenue shall establish the basic transportation mill rate and certify it to the commissioner of education by August 1 of each year for levies payable in the following year. The established basic transportation mill rate shall be a rate, rounded up to the nearest hundredth of a mill, that when applied to the adjusted assessed valuation of taxable property for each school district, raises the amount specified in this subdivision. The basic transportation mill rate for the 1987 payable 1988 levies and for transportation aid for the 1988-1989 school year shall be set at the rate that raises \$71,080,400. The basic transportation mill rate computed by the commissioner of revenue must not be recomputed due to changes or corrections made in a school district's adjusted assessed valuation after the mill rate has been certified to the department of education.

Sec. 10. Minnesota Statutes 1986, section 275.125, is amended by adding a subdivision to read:

Subd. 5e. [EXCESS TRANSPORTATION LEVY.] A school district may also make a levy for excess transportation costs pursuant to this subdivision. The amount of the levy shall not exceed the product of:

(a) the district's excess transportation revenue determined pursuant to section 7, times

(b) the lesser of

(i) one, or



(ii) the ratio of the district's adjusted assessed valuation for the preceding year per total pupil unit in the school year for which the levy is attributable, to 50 percent of the equalizing factor for the school year to which the levy is attributable.

Sec. 11. Minnesota Statutes 1986, section 275.125, is amended by adding a subdivision to read:

Subd. 5f. [BUS PURCHASE LEVY.] A school district may also levy the amount necessary to eliminate any projected deficit in the appropriated fund balance account for bus purchases in its transportation fund as of June 30 in the school year beginning in the calendar year following the calendar year the levy is certified.

Sec. 12. Minnesota Statutes 1986, section 275.125, is amended by adding a subdivision to read:

Subd. 5g. [CONTRACTED SERVICES LEVY.] A school district may also levy an amount equal to the aid subtraction computed pursuant to section 124.225, subdivision 8k, for the school year beginning in the year the levy is certified.

Sec. 13. [APPROPRIATIONS.]

Subdivision 1. There is appropriated from the general fund to the department of education the sums indicated in this section for the fiscal years ending June 30 in the years designated.

Subd. 2. [TRANSPORTATION AID.] For transportation aid there is appropriated:

\$90,476,900.....1988,  
\$90,235,600.....1989.

(a) The appropriation for 1988 includes \$12,194,300 for aid for fiscal year 1987 payable in fiscal year 1988 and \$78,282,600 for fiscal year 1988 payable in fiscal year 1988.

(b) The appropriation for 1989 includes \$13,814,600 for aid for fiscal year 1988 payable in fiscal year 1989 and \$76,421,000 for fiscal year 1989 payable in fiscal year 1989.

(c) The appropriations are based on aid entitlements of \$92,097,200 for fiscal year 1988 and \$89,907,000 for fiscal year 1989.

Subd. 3. [INTERDISTRICT TRANSPORTATION AID; PROGRAMS OF EXCELLENCE.] For transportation of pupils to programs of excellence pursuant to Minnesota Statutes, section 126.62, subdivision 6, there is appropriated:

\$17,000.....1988,  
\$17,000.....1989.

This aid shall be paid at 100 percent of the entitlement for the current fiscal year.

Subd. 4. [TRANSPORTATION AID FOR CHOICE PROGRAMS.] For transportation of pupils who attend post-secondary institutions pursuant to Minnesota Statutes, section 123.3514, there is appropriated:

\$76,875.....1988,  
\$78,797.....1989.

The commissioner shall allocate this appropriation among school districts based upon criteria adopted by the state board of education.

Subd. 5. [PRORATION.] Except as provided in section 124.14, subdivision 7, none of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated. If the appropriation amount attributable to either year for any purposes indicated plus the amount of any transfers made according to section 124.14, subdivision 7, is insufficient, the aid for that year shall be prorated among all qualifying districts in the manner prescribed in Minnesota Statutes, section 124.225, subdivision 8a.

Sec. 14. [REPEALER.]

Minnesota Statutes 1986, sections 124.225, subdivision 1a, and 275.125, subdivision 5d, are repealed.

### ARTICLE 3

#### SPECIAL PROGRAMS

Section 1. Minnesota Statutes 1986, section 120.03, subdivision 1, is amended to read:

Subdivision 1. Every child who has a hearing impairment, visual handicap, speech or language impairment, physical handicap, other health impairment, mental handicap, emotional/behavioral disorder, specific learning disability, or deaf/blind handicap and needs special instruction and services, as determined by the standards of the state board, is a handicapped child. In addition, every child between the ages of three and five who needs special instruction and services, as determined by the standards of the state board, because the child has a substantial delay or has an identifiable physical or mental condition known to hinder normal development is a handicapped child.

Sec. 2. Minnesota Statutes 1986, section 120.17, subdivision 1, is amended to read:

Subdivision 1. [SPECIAL INSTRUCTION FOR HANDICAPPED CHILDREN.] Every district shall provide special instruction and services, either within the district or in another district, for handicapped children of school age who are residents of the district and who are handicapped as set forth in section 120.03. School age means the ages of three to 21 years for children who are handicapped as defined in section 120.03 and; provided however, the required instruction shall not extend beyond secondary school or its equivalent. For purposes of this subdivision, the age of a handicapped child shall be the age as of September 1 of the calendar year in which the school year for which the child seeks special instruction and services commences. Every district may provide special instruction and services for handicapped children who have not attained school age. Local health, education, and social service agencies shall refer children from age three to five who are known to need or suspected of needing special instruction and services to the school district. A school district is encouraged to contract with a developmental achievement center when the center is cost efficient for the district and when the center provides continuity of special instruction and services for handicapped children under the age of five and their families. Districts with less than the minimum number of eligible handicapped children as determined by the state board shall cooperate with other districts to maintain a full range of programs for education and services for handicapped children. This subdivision does not alter the compulsory attendance requirements of section 120.10.

Sec. 3. Minnesota Statutes 1986, section 120.17, subdivision 2, is amended to read:

Subd. 2. [METHOD OF SPECIAL INSTRUCTION.] Special instruction and services for handicapped children must be based on the assessment and individual education plan. The instruction and services may be provided by one or more of the following methods:

(a) in connection with attending regular elementary and secondary school classes;

(b) establishment of special classes;

(c) at the home or bedside of the child;

(d) in other districts;

(e) instruction and services ~~in~~ by special education cooperative centers established under this section, or in another member district of the cooperative center to which the resident district of the handicapped child belongs;

(f) in a state university laboratory school or a University of Minnesota laboratory school;

(g) in a state residential school or a school department of a state institution approved by the commissioner;

(h) in other states;

(i) by contracting with public, private or voluntary agencies;

(j) for children under age five and their families, programs and services established through collaborative efforts with other agencies ~~or within the district; and~~

(k) for children under age five and their families, in a program in which handicapped children are served with nonhandicapped children;

(l) for children under age three, preference should be given to programs provided in the residence of the child with the parent or primary caregiver or both present; and

(m) any other method approved by the commissioner.

The primary responsibility for the education of a handicapped child shall remain with the district of the child's residence regardless of which method of providing special instruction and services is used.

Sec. 4. Minnesota Statutes 1986, section 120.17, subdivision 3, is amended to read:

Subd. 3. [RULES OF THE STATE BOARD.] The state board shall promulgate rules relative to qualifications of essential personnel, courses of study, methods of instruction, pupil eligibility, size of classes, rooms, equipment, supervision, parent consultation, and any other rules it deems necessary for instruction of handicapped children. These rules shall provide standards and procedures appropriate for the implementation of and within the limitations of subdivisions 3a and 3b. These rules shall also provide standards for the discipline, control, management and protection of handicapped children. The state board shall not adopt rules for pupils served in level 1, 2, or 3, as defined in Minnesota Rules, part 3525.2340, establishing either case loads or the maximum number of pupils that may be assigned to special education teachers. The state board, in consultation with the departments of health and human services, may adopt emergency rules and shall adopt permanent rules for instruction and services for children from age three to five and their families. Until June 30, 1988, a developmental achievement center contracting with under contract to a school district to provide special instruction and services is eligible for variance from rules relating to personnel licensure. Until June 30, 1988, the licensure variance for a developmental achievement center shall be granted according

to the same procedures and criteria used for granting a variance to a school district. The state board shall, according to section 14.05, subdivision 4, notify a district applying for a variance from the rules within 45 calendar days of receiving the request whether the request for the variance has been granted or denied. If a request is denied, the board shall specify the program standards used to evaluate the request and the reasons for denying the request.

Sec. 5. Minnesota Statutes 1986, section 120.17, subdivision 3a, is amended to read:

Subd. 3a. [SCHOOL DISTRICT OBLIGATIONS.] Every district shall ensure that:

(a) (1) all handicapped children are provided the special instruction and services which are appropriate to their needs; The student's needs and the special education instruction and services to be provided shall be agreed upon through the development of an individual education plan. The plan shall address the student's need to develop skills to live and work as independently as possible within the community. By grade nine or age 14, the plan shall address the student's needs for transition from secondary services to post-secondary education and training, employment, and community living;

(b) (2) handicapped children from age three to five and their families are provided special instruction and services appropriate to the child's level of functioning and needs;

(c) (3) handicapped children and their parents or guardians are guaranteed procedural safeguards and the right to participate in decisions involving identification, assessment and educational placement of handicapped children;

(d) (4) to the maximum extent appropriate, handicapped children, including those in public or private institutions or other care facilities, are educated with children who are not handicapped, and that special classes, separate schooling, or other removal of handicapped children from the regular educational environment occurs only when and to the extent that the nature or severity of the handicap is such that education in regular classes with the use of supplementary services cannot be achieved satisfactorily;

(e) (5) in accordance with recognized professional standards, testing and evaluation materials and procedures utilized for the purposes of classification and placement of handicapped children are selected and administered so as not to be racially or culturally discriminatory; and

(4) (6) 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.

Sec. 6. Minnesota Statutes 1986, section 120.17, subdivision 3b, is amended to read:

Subd. 3b. [PROCEDURES FOR DECISIONS.] Every district shall utilize at least the following procedures for decisions involving identification, assessment and educational placement of handicapped children:

(a) Parents and guardians shall receive prior written notice of:

(1) any proposed formal educational assessment or proposed denial of a formal educational assessment of their child;

(2) a proposed placement of their child in, transfer from or to, or denial of placement in a special education program; or

(3) the proposed provision, addition, denial or removal of special education services for their child;

(b) The district shall not proceed with the initial formal assessment of a child, the initial placement of a child in a special education program or the initial provision of special education services for a child without the prior written consent of the child's parent or guardian. The refusal of a parent or guardian to consent may be overridden by the decision in a hearing held pursuant to clause (d) at the district's initiative ~~after at least one attempt to obtain this consent through a conciliation conference held pursuant to clause (e);~~

(c) Parents and guardians shall have an opportunity to meet with appropriate district staff in at least one conciliation conference if they object to any proposal of which they are notified pursuant to clause (a). The conciliation process shall not be used to deny or delay a parent or guardian's right to a due process hearing. If the parent or guardian refuses efforts by the district to conciliate the dispute with the school district, the requirement of conciliation shall be deemed to be satisfied;

(d) Parents, guardians and the district shall have an opportunity to obtain an impartial due process hearing initiated and conducted in the school district where the child resides, if ~~after at least one conciliation conference~~ the parent or guardian continues to object to:

(1) a proposed formal educational assessment or proposed denial of a formal educational assessment of their child;

(2) the proposed placement of their child in, or transfer of their child to a special education program;

(3) the proposed denial of placement of their child in a special education program or the transfer of their child from a special education program;

(4) the proposed provision or addition of special education services for their child; or

(5) the proposed denial or removal of special education services for their child.

At least five calendar days before the hearing, the objecting party shall provide the other party with a brief written statement of the objection and the reasons for the objection.

The hearing shall take place before an impartial hearing officer mutually agreed to by the school board and the parent or guardian. If the school board and the parent or guardian are unable to agree on a hearing officer, the school board shall request the commissioner to appoint a hearing officer. The hearing officer shall not be a school board member or employee of the school district where the child resides or of the child's school district of residence, an employee of any other public agency involved in the education or care of the child, or any person with a personal or professional interest which would conflict with the person's objectivity at the hearing. A person who otherwise qualifies as a hearing officer is not an employee of the district solely because the person is paid by the district to serve as a hearing officer. If the hearing officer requests an independent educational assessment of a child, the cost of the assessment shall be at district expense. The proceedings shall be recorded and preserved, at the expense of the school district, pending ultimate disposition of the action.

(e) The decision of the hearing officer pursuant to clause (d) shall be rendered not more than 45 calendar days from the date of the receipt of the request for the hearing. A hearing officer may grant specific extensions of time beyond the 45-day period at the request of either party. The decision of the hearing officer shall be binding on all parties unless appealed to the hearing review officer by the parent, guardian, or the school board of the district where the child resides pursuant to clause (f).

The local decision shall:

(1) be in writing;

(2) state the controlling facts upon which the decision is made in sufficient detail to apprise the parties and the hearing review officer of the basis and reason for the decision;

(3) state whether the special education program or special education services appropriate to the child's needs can be reasonably provided within the resources available to the responsible district or districts;

(4) state the amount and source of any additional district expenditure necessary to implement the decision; and

(5) be based on the standards set forth in subdivision 3a and the rules of the state board.

(f) Any local decision issued pursuant to clauses (d) and (e) may be appealed to the hearing review officer within 15 calendar days of receipt of that written decision, by the parent, guardian, or the school board of the district where the child resides.

If the decision is appealed, a written transcript of the hearing shall be made by the school district and shall be accessible to the parties involved within five calendar days of the filing of the appeal. The hearing review officer shall issue a final decision based on an impartial review of the local decision and the entire record within 30 calendar days after the filing of the appeal. The hearing review officer shall seek additional evidence if necessary and may afford the parties an opportunity for written or oral argument; provided any hearing held to seek additional evidence shall be an impartial due process hearing but shall be deemed not to be a contested case hearing for purposes of chapter 14. The hearing review officer may grant specific extensions of time beyond the 30-day period at the request of any party.

The final decision shall:

(1) be in writing;

(2) include findings and conclusions; and

(3) be based upon the standards set forth in subdivision 3a and in the rules of the state board.

(g) The decision of the hearing review officer shall be final unless appealed by the parent or guardian or school board to the court of appeals. The judicial review shall be in accordance with chapter 14.

(h) The commissioner of education, having delegated general supervision of special education to the appropriate staff, shall be the hearing review officer except for appeals in which:



(1) the commissioner has a personal interest in or specific involvement with the student who is a party to the hearing;

(2) the commissioner has been employed as an administrator by the district that is a party to the hearing;

(3) the commissioner has been involved in the selection of the administrators of the district that is a party to the hearing;

(4) the commissioner has a personal, economic, or professional interest in the outcome of the hearing other than the proper administration of the federal and state laws, rules, and policies;

(5) the appeal challenges a state or local policy which was developed with substantial involvement of the commissioner; or

(6) the appeal challenges the actions of a department employee or official.

For any appeal to which the above exceptions apply, the state board of education shall name an impartial and competent hearing review officer.

In all appeals, the parent or guardian of the handicapped student or the district that is a party to the hearing may challenge the impartiality or competence of the proposed hearing review officer by applying to the state board of education.

(i) Pending the completion of proceedings pursuant to this subdivision, unless the district and the parent or guardian of the child agree otherwise, the child shall remain in the child's current educational placement and shall not be denied initial admission to school.

(j) The child's school district of residence, if different from the district where the child actually resides, shall receive notice of and may be a party to any hearings or appeals pursuant to this subdivision.

Sec. 7. Minnesota Statutes 1986, section 120.17, subdivision 5, is amended to read:

Subd. 5. [SCHOOL OF PARENTS' CHOICE.] Nothing in this chapter shall be construed as preventing parents of a handicapped ~~educable~~ child from sending such child to a school of their choice, if they so elect, subject to admission standards and policies ~~to be~~ adopted pursuant according to the provisions of sections 128A.01 to 128A.07 chapter 128A, and all other provisions of chapters 120 to 129.

Sec. 8. Minnesota Statutes 1986, section 120.17, subdivision 7a, is amended to read:

Subd. 7a. [ATTENDANCE AT SCHOOL FOR THE HANDICAPPED.] Responsibility for special instruction and services for a visually disabled or hearing impaired child attending the Minnesota ~~School~~ state academy for the deaf or the Minnesota ~~Braille and Sight-Saving School~~ state academy for the blind shall be determined in the following manner:

(a) The legal residence of the child shall be the school district in which the child's parent or guardian resides.

(b) When it is determined pursuant to section 128A.05, subdivisions 1 or 2 that the child is entitled to attend either school, the state board shall provide the appropriate educational program for the child. The state board shall make a tuition charge to the child's district of residence for the actual cost of providing the program; provided, however, that effective for the 1983-1984 school year and thereafter, the amount of tuition charged shall not exceed the sum of \$1,000 plus the foundation aid formula allowance of the district for that child, for an entire school year, or a prorated amount based on the portion of the school year for which the child is a resident of the district or is actually in membership in the program. For purposes of this subdivision, "foundation aid formula allowance" shall have the meaning attributed to it in section 124.32, subdivision 1a. The district of the child's residence shall pay the tuition and may claim foundation aid for the child. The district of the child's residence shall not receive aid pursuant to section 124.32, subdivision 5, for tuition paid pursuant to this subdivision. All tuition received by the state board shall be deposited in the state treasury.

(c) When it is determined that the child can benefit from public school enrollment but that the child should also remain in attendance at the applicable school, the school district where the institution is located shall provide an appropriate educational program for the child and shall make a tuition charge to the state board for the actual cost of providing the program, less any amount of aid received pursuant to section 124.32. The state board shall pay the tuition and other program costs including the unreimbursed transportation costs. Aids for handicapped children shall be paid to the district providing the special instruction and services. Special transportation shall be provided by the district providing the educational program and the state shall reimburse such district within the limits provided by law.

(d) Notwithstanding the provisions of clauses (b) and (c), the state board may agree to make a tuition charge for less than the amount specified in clause (b) for pupils attending the applicable school who are residents of the district where the institution is located and who do not board at the institution, if that district agrees to make a

tuition charge to the state board for less than the amount specified in clause (c) for providing appropriate educational programs to pupils attending the applicable school.

(e) Notwithstanding the provisions of clauses (b) and (c), the state board may agree to supply staff from the Minnesota School state academy for the deaf and the Minnesota Braille and Sight-Saving School state academy for the blind to participate in the programs provided by the district where the institutions are located when the programs are provided to students in attendance at the state schools.

Sec. 9. Minnesota Statutes 1986, section 120.17, is amended by adding a subdivision to read:

Subd. 11a. [STATE INTERAGENCY COORDINATING COUNCIL.] An interagency coordinating council of 15 members is established. The members and the chair shall be appointed by the governor. The council shall be composed of at least three parents of handicapped children under age seven, a representative of each of the commissioners of education, health, and human services, three representatives of public or private providers of services for handicapped children under age five, one member of the senate, one member of the house of representatives, one representative of teacher preparation programs in early childhood-special education, at least one representative of advocacy organizations for handicapped children, and other members knowledgeable about handicapped children under age five. Section 15.059 applies to the council, except that the council is permanent and does not expire. The council shall meet at least quarterly.

The council shall address methods of implementing the state policy of developing and implementing comprehensive, coordinated, multidisciplinary interagency programs of early intervention services for handicapped children and their families. It is the joint responsibility of county boards and school districts to coordinate, provide, and pay for appropriate services, and to facilitate payment for services from public and private sources. Appropriate services must be determined in consultation with parents, physicians, and other educational, medical, health, and human services providers. Appropriate services include family education and counseling, home visits, occupational and physical therapy, speech pathology, audiology, psychological services, case management, medical services for diagnostic and evaluation purposes, early identification, and screening, assessment, and health services necessary to enable handicapped children to benefit from early intervention services. School districts must be the primary agency in this cooperative effort.

The duties of the council include recommending policies to ensure a comprehensive and coordinated system of all state and local agency services for handicapped children under age five and their families. The policies must address how to incorporate each agency's

services into a unified state and local system of multidisciplinary assessment practices, individual intervention plans, comprehensive systems to find children in need of services, methods to improve public awareness, and assistance in determining the role of interagency early intervention committees.

Each year by January 15 the council shall submit its recommendations to the education committees of the legislature, the governor, and the commissioners of education, health, and human services.

Sec. 10. Minnesota Statutes 1986, section 120.17, subdivision 12, is amended to read:

Subd. 12. [INTERAGENCY EARLY LEARNING INTERVENTION COMMITTEE.] A district, group of districts, or special education cooperative, in cooperation with the county or counties in which the district or cooperative is located, shall establish an interagency early learning intervention committee for handicapped children under age five and their families. Members of the committee shall be representatives of local and regional health, education, including representatives of early childhood family education programs, and county human service agencies; county commissions; school boards; developmental achievement centers; current service providers; parents of young handicapped children; and other private or public agencies as appropriate. The committee shall elect a chair from among its members and shall meet regularly at least quarterly. The committee shall perform the following ongoing duties:

(1) identify current services and funding being provided within the community for handicapped children under the age of five and their families;

(2) establish and evaluate the identification, referral, and community learning systems to recommend, where necessary, alterations and improvements;

(3) facilitate the development of interagency individual education plans and individual service plans when necessary to appropriately serve handicapped children under the age of five and their families and recommend assignment of financial responsibilities to the appropriate agencies;

(4) implement a process for assuring that services to handicapped children under age five involve cooperating agencies at all steps leading to individualized programming;

(5) review and comment on the early learning section of the total special education system for the district and the county social services plan; and

(5) review and comment on the funding sources that currently exist for the services being provided to handicapped children under the age of five and their families in the area

(6) review the funding sources that currently exist for services being provided, reduce duplication of services and related costs and promote a coordinated comprehensive service delivery system in each community; and

(7) develop a transition plan for any service that is recommended to be terminated.

The departments of education, health, and human services are encouraged to provide assistance to the local agencies in developing cooperative plans for providing services.

Sec. 11. Minnesota Statutes 1986, section 120.17, is amended by adding a subdivision to read:

Subd. 14. [MAINTENANCE OF EFFORT.] A county human services agency or county board shall continue to provide services set forth in their county social service agency plan for handicapped children under age five and their families or as specified in the individual service plan and individual habilitation plan of each child. Special instruction and services for which a handicapped child is eligible under this section are not the responsibility of the local human services agency or county board. It is the joint responsibility of county boards and school districts to coordinate, provide, and pay for appropriate services and to facilitate payment for services from public and private sources. School districts and counties are encouraged to enter into agreements to cooperatively serve and provide funding for handicapped children under age five and their families.

Sec. 12. Minnesota Statutes 1986, section 120.17, is amended by adding a subdivision to read:

Subd. 15. [THIRD PARTY PAYMENT.] Nothing in this section relieves an insurer or similar third party from an otherwise valid obligation to pay or changes the validity of an obligation to pay for services to a handicapped child.

Sec. 13. Minnesota Statutes 1986, section 120.17, is amended by adding a subdivision to read:

Subd. 16. [COMMUNITY TRANSITION INTERAGENCY COMMITTEE.] A district, group of districts, or special education cooperative, in cooperation with the county or counties in which the district or cooperative is located, shall establish a community transition interagency committee for handicapped youth, beginning at grade nine or age equivalent, and their families. Members of the

committee shall consist of representatives from special education; vocational and regular education; community education; post-secondary education and training institutions; parents of handicapped youth; local business or industry; rehabilitation services; county social services; health agencies; and additional public or private adult service providers as appropriate. The committee shall elect a chair and shall meet regularly. The committee shall:

(1) identify current services, programs, and funding sources provided within the community for secondary and post-secondary aged handicapped youth and their families;

(2) facilitate the development of multiagency teams to address present and future transition needs of individual students on their individual education plans;

(3) develop a community plan to include mission, goals, and objectives, and an implementation plan to assure that transition needs of handicapped individuals are met;

(4) recommend changes or improvements in the community system of transition services;

(5) exchange agency information such as appropriate data, effectiveness studies, special projects, exemplary programs, and creative funding of programs; and

(6) prepare a yearly summary assessing the progress of transition services in the community and disseminate it to all adult services agencies involved in the planning and to the commissioner of education by September 1 of each year.

Sec. 14. Minnesota Statutes 1986, section 123.39, subdivision 1, is amended to read:

Subdivision 1. The board may provide for the free transportation of pupils to and from school, and to schools in other districts for grades and departments not maintained in the district, including high school, at the expense of the district, when funds are available therefor and if agreeable to the district to which it is proposed to transport the pupils, for the whole or a part of the school year, as it may deem advisable, and subject to its rules. Every driver shall possess all the qualifications required by the rules of the state board of education. In any school district, the board shall arrange for the attendance of all pupils living two miles or more from the school through suitable provision for transportation or through the boarding and rooming of the pupils who may be more economically and conveniently provided for by that means. The board shall provide transportation to and from the home of a handicapped child not yet enrolled in kindergarten when special instruction and services under section 120.17 are provided in a location other than in the

child's home. When transportation is provided, scheduling of routes, establishment of the location of bus stops, 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 school board. The district may provide for the transportation of pupils or expend a reasonable amount for room and board of pupils whose attendance at school can more economically and conveniently be provided for by that means or who attend school in a building rented or leased by a district within the confines of an adjacent district.

Sec. 15. Minnesota Statutes 1986, section 124.17, subdivision 1, is amended to read:

Subdivision 1. [WEIGHTING.] Pupil units for each resident pupil in average daily membership shall be counted as follows:

(1) For pre-kindergarten pupils

(a) In a program approved by the commissioner, for each handicapped prekindergarten pupil, one-half pupil unit for up to 437 hours of assessment and education services in the school year as provided in the pupil's individual education plan or, for more than 437 hours of assessment and education services, a number of pupil units equal to the ratio of the number of hours of assessment and education service required in the school year by the pupil's individual education program plan, developed pursuant to the rules of the state board, to 875, but not more than one pupil unit;

(b) For each pre-kindergarten child who is assessed but who does not meet the definition of handicapped children in section 120.03, the number of pupil units equal to the ratio of the number of hours of assessment service to 875.

(2) In an elementary school:

(a) For each handicapped kindergarten pupil, as defined in section 120.03, enrolled in a program approved by the commissioner, a number of pupil units equal to the ratio of the number of hours of assessment and education services required in the school year by the pupil's individual education program plan, developed pursuant to the rules of the state board, to 875, but not more than one pupil unit;

(b) For kindergarten pupils, other than those in clause (a), enrolled in one-half day sessions throughout the school year or the equivalent thereof, one-half pupil unit; and

(c) For other elementary pupils, one pupil unit.

(3) In secondary schools, 1-4/10 pupil units. Pupils enrolled in the seventh and eighth grades of any school shall be counted as secondary pupils.

Sec. 16. Minnesota Statutes 1986, section 124.223, is amended to read:

124.223 [TRANSPORTATION AID AUTHORIZATION.]

School transportation and related services for which state transportation aid is authorized are:

(1) [TO AND FROM SCHOOL; BETWEEN SCHOOLS.] Transportation or board of resident elementary pupils who reside one mile or more from the public schools which they could attend; transportation or board of resident secondary pupils who reside two miles or more from the public schools which they could attend; transportation to, from, or between the schools the resident pupils attend pursuant to a program approved by the commissioner of education; transportation of resident elementary pupils who reside one mile or more from a nonpublic school actually attended; transportation of resident secondary pupils who reside two miles or more from a nonpublic school actually attended; but with respect to transportation of pupils to nonpublic schools actually attended, only to the extent permitted by sections 123.76 to 123.79;

(2) [OUTSIDE DISTRICT.] Transportation to and from or board and lodging in another district, of resident pupils of a district without a secondary school; the pupils may attend a classified secondary school in another district and shall receive board and lodging in or transportation to and from a district having a classified secondary school at the expense of the district of the pupil's residence;

(3) [SECONDARY VOCATIONAL CENTERS.] Transportation to and from a state board approved secondary vocational center for secondary vocational classes for resident pupils of any of the districts who are members of or participating in programs at that center;

(4) [HANDICAPPED.] Transportation or board and lodging of a handicapped pupil when that pupil cannot be transported on a regular school bus, the conveying of handicapped pupils between home and school and within the school plant, necessary transportation of handicapped pupils from home or from school to other buildings, including centers such as developmental achievement centers, hospitals and treatment centers where special instruction or services required by section 120.17 are provided, within or outside the district where services are provided, and necessary transportation for resident handicapped pupils required by section 120.17, subdivision 4a. Transportation of handicapped pupils between home and school shall not be subject to any distance requirement for



children not yet enrolled in kindergarten or to the requirement in clause (1) that elementary pupils reside at least one mile from school and secondary pupils reside at least two miles from school in order for the transportation to qualify for aid;

(5) [BOARD AND LODGING; NONRESIDENT HANDICAPPED.] When necessary, board and lodging for nonresident handicapped pupils in a district maintaining special classes;

(6) [SHARED TIME.] Transportation from one educational facility to another within the district for resident pupils enrolled on a shared time basis in educational programs approved by the commissioner of education, and necessary transportation required by section 120.17, subdivision 9 for resident handicapped pupils who are provided special instruction and services on a shared time basis;

(7) [FARIBAULT STATE SCHOOLS ACADEMIES.] Transportation for residents to and from the Minnesota school state academy for the deaf or the Minnesota braille and sight-saving school state academy for the blind;

(8) [SUMMER INSTRUCTIONAL PROGRAMS.] Services described in clauses (1) to (7) and (9) and (10) when provided in conjunction with a summer program eligible for aid and levy under sections 124A.03 and 124A.033;

(9) [COOPERATIVE ACADEMIC AND VOCATIONAL.] Transportation to, from or between educational facilities located in any of two or more school districts jointly offering academic classes approved by the commissioner or secondary vocational classes not provided at a secondary vocational center which are approved by the commissioner for resident pupils of any of these districts; and

(10) [NONPUBLIC SUPPORT SERVICES.] Necessary transportation within district boundaries between a nonpublic school and a public school or a neutral site for nonpublic school pupils who are provided pupil support services pursuant to section 123.935.

Sec. 17. Minnesota Statutes 1986, section 124.273, subdivision 1b, is amended to read:

Subd. 1b. [TEACHERS SALARIES.] For the 1987-1988 school year, the state shall pay a school district a portion of the salary, calculated from the date of hire, of one full-time equivalent teacher for each 45 pupils of limited English proficiency enrolled in the district. Notwithstanding the foregoing, the state shall pay a portion of the salary, calculated from the date of hire, of one-half of a full-time equivalent teacher to a district with 22 or fewer pupils of limited English proficiency enrolled. The portion for a full-time teacher shall be the lesser of 65 62.5 percent of the salary or \$18,100 \$17,400. The portion for a part-time or limited-time teacher shall be

the lesser of ~~65~~ 62.5 percent of the salary or the product of ~~\$18,400~~ \$17,400 times the ratio of the person's actual employment to full-time employment.

Sec. 18. Minnesota Statutes 1986, section 124.273, is amended by adding a subdivision to read:

Subd. 1c. [MAXIMUM REVENUE; 1988-89 AND AFTER.] (a) For 1988-1989 and later school years, a district's or cooperative center's "maximum revenue" for limited English proficiency programs equals an amount not to exceed 62.5 percent of the salaries, calculated from the date of hire, paid to each full-time equivalent teacher employed by the district for each 45 pupils of limited English proficiency enrolled in the district.

(b) Notwithstanding paragraph (a), the maximum revenue for a district with 22 or fewer pupils of limited English proficiency equals an amount not to exceed 62.5 percent of the salary paid to one-half time equivalent teacher employed by the district. However, the allowable revenue for a part-time or limited-time teacher shall be 62.5 percent of the salary times the ratio of the person's actual employment to full-time employment.

Sec. 19. Minnesota Statutes 1986, section 124.273, is amended by adding a subdivision to read:

Subd. 1d. [BASIC AID.] For the 1988-1989 and later school years, a district's or cooperative center's "basic aid" for limited English proficiency programs equals \$12,200 times the number of full-time equivalent limited English proficiency teachers for whom the district is entitled to receive revenue under subdivision 1c.

Sec. 20. Minnesota Statutes 1986, section 124.273, is amended by adding a subdivision to read:

Subd. 1e. [LEVY EQUALIZATION AID.] For the 1988-1989 and later school years, a district's or cooperative center's "levy equalization aid" shall be the result of the following computation:

(a) Subtract the basic aid calculated according to subdivision 1d from the maximum revenue calculated according to subdivision 1c.

(b) Subtract the limited English proficiency levy limitation according to section 39 from the result in clause (a).

(c) Divide the actual limited English proficiency levy by the limited English proficiency levy limitation.

(d) Multiply the result in clause (b) by the result in clause (c).

Sec. 21. Minnesota Statutes 1986, section 124.273, is amended by adding a subdivision to read:

Subd. 1f. [TOTAL LIMITED ENGLISH PROFICIENCY AID.] For the 1988-1989 and later school years, a district's or cooperative center's "total limited English proficiency aid" equals the sum of its basic aid according to subdivision 1d and its levy equalization aid according to subdivision 1e.

Sec. 22. Minnesota Statutes 1986, section 124.32, is amended to read:

#### 124.32 [HANDICAPPED CHILDREN.]

Subd. 1b. [TEACHERS SALARIES.] Each For the 1987-1988 school year the state shall pay to a district a portion of the salary of each essential person employed in the district's program for handicapped children during the regular school year, whether the person is employed by one or more districts. The portion for a full-time person shall be an amount not to exceed the lesser of 70 67.3 percent of the salary or \$19,500 \$18,700. The portion for a part-time or limited-time person shall be an amount not to exceed the lesser of 70 67.3 percent of the salary or the product of \$19,500 \$18,700 times the ratio of the person's actual employment to full-time employment.

Subd. 1c. [FOUNDATION AID FORMULA ALLOWANCE.] For purposes of this section, "foundation aid formula allowance" shall have the meaning attributed to it in section 124A.02, subdivision 9, and "summer school revenue allowance" shall have the meaning attributed to it in section 124.201. For the purposes of computing foundation aid formula allowances pursuant to this section, each handicapped child shall be counted as prescribed in section 124.17, subdivision 1.

Subd. 1d. [CONTRACT SERVICES; 1987-1988.] (1) For special instruction and services provided during the regular 1987-1988 school year to any pupil pursuant to section 120.17, subdivision 2, clause (i), by contract with public, private or voluntary agencies other than school districts, the state shall pay each district ~~55~~ 52.8 percent of the difference between the amount of the contract and the foundation aid formula allowance of the district for that pupil or a pro rata portion of the foundation aid formula allowance for pupils who receive services by contract on less than a full-time basis.

(2) For special instruction and services provided for a pupil by such a contract as part of a the 1987 summer school program, the state shall pay each district ~~55~~ 52.8 percent of the difference between the amount of the contract and the summer school revenue allowance of the district attributable to that pupil.

Subd. 1f. [MAXIMUM REVENUE; REGULAR SCHOOL YEAR.] For 1988-1989 and later school years, a district's or cooperative center's "maximum revenue" for special education programs for a regular school year equals an amount not to exceed the sum of the following:

(a) 67.3 percent of the salaries of essential personnel employed in the district's or cooperative center's program for handicapped children during the regular school year, plus

(b) 48 percent of the amount expended for supplies and equipment purchased or rented for use in the instruction of handicapped children, not to exceed an average of \$48 in any one school year for each handicapped child receiving instruction, plus

(c) For special instruction and services provided during the regular school year to any pupil pursuant to section 120.17, subdivision 2, clause (i), by contract with public, private or voluntary agencies other than school districts, 52.8 percent of the difference between the amount of the contract and the foundation aid formula allowance of the district for that pupil or a pro rata portion of the foundation aid formula allowance for pupils who receive services by contract on less than a full-time basis.

Subd. 1g. [BASIC AID; REGULAR SCHOOL YEAR.] For the 1988-1989 and later school years, a district's or cooperative center's "basic aid" for special education programs equals the sum of the following:

(a) \$13,100 times the number of full-time equivalent essential licensed personnel employed in the district's or cooperative center's program for handicapped children during the regular school year, plus

(b) \$4,300 times the number of full-time equivalent essential unlicensed personnel employed in the district's or cooperative center's program for handicapped children during the regular school year.

Subd. 1h. [LEVY EQUALIZATION AID; REGULAR SCHOOL YEAR.] For 1988-1989 and later school years, a district's or cooperative center's "levy equalization aid" shall be the result of the following computation:

(a) Subtract the basic aid according to subdivision 1g from the maximum revenue according to section 1f.

(b) Subtract the special education levy limitation according to section 37 from the result in clause (a).

(c) Divide the actual special education levy by the special education levy limitation.

(d) Multiply the result in clause (b) by the result in clause (c).

Subd. 1i. [TOTAL AID; REGULAR SCHOOL YEAR.] For 1988-1989 and later school years, a district's or cooperative center's "total special education aid" equals the sum of its basic aid according to subdivision 1g, its levy equalization aid according to subdivision 1h, and its special pupil aid according to subdivision 6.

Subd. 2. [SUPPLY AND EQUIPMENT AID.] For the 1987-1988 school year, the state shall pay each district for supplies and equipment purchased or rented for use in the instruction of handicapped children an amount equal to ~~one-half~~ 48 percent of the sum actually expended by the district but not to exceed an average of \$50 ~~\$48~~ in any one school year for each handicapped child receiving instruction.

Subd. 2b. [TRAVEL AID.] The state shall pay each district ~~one-half~~ 48 percent of the sum actually expended by a district for necessary travel of essential personnel providing home-based services to handicapped children under age five and their families.

Subd. 3a. [CURRENT FUNDING.] Unless otherwise specified, the aids provided for educational programs for handicapped children shall be paid on a current funding basis.

Subd. 4. [AID RECIPIENTS.] The aids provided for handicapped children shall be paid to the district providing the special instruction and services. Foundation aid shall be paid to the district of the pupils' residence. The total amount of aid paid may not exceed the amount expended for handicapped children in the school year for which the aid is paid.

Subd. 5. [RESIDENTIAL AID.] When a handicapped child is placed in a residential facility approved by the commissioner and established primarily to serve handicapped children and when the child's educational program is approved by the commissioner, the state shall pay aid to the resident district under the provisions of this subdivision. The aid shall be an amount not to exceed ~~60~~ 57.6 percent of the difference between the instructional costs charged to the resident district and the foundation aid formula allowance, for each handicapped child placed in a residential facility. The aid for summer school programs for each handicapped child placed in a residential facility shall be an amount not to exceed ~~60~~ 57.6 percent of the difference between the instructional costs charged to the resident district and the summer school revenue allowance in the resident district attributable to that child. No aid shall be paid pursuant to this subdivision for tuition charged a resident district pursuant to section 120.17, subdivision 7a, for a child placed at the

~~Minnesota school state academy for the deaf or the Minnesota~~  
~~braille and sight-saving school state academy for the blind.~~

The following types of facilities may be approved by the commissioner:

(a) a residential facility operated by the state or public school district and designed to serve the low incidence handicapped, the multiple handicapped, or the most severely handicapped children within the state;

(b) a private, nonsectarian residential facility designed to provide educational services for handicapped children within the state; and

(c) a state hospital or private nonsectarian residential center designed to provide care and treatment for handicapped children.

Subd. 6. [FULL STATE PAYMENT.] The state shall pay each district the actual cost incurred in providing instruction and services for a handicapped child whose district of residence has been determined by section 120.17, subdivision 8a, and who is temporarily placed in a state institution or a licensed residential facility for care and treatment. This section does not apply for a child placed in a foster home or a foster group home.

Upon following the procedure specified by the commissioner of education, the district may bill the state the actual cost incurred in providing the services including transportation costs and a proportionate amount of capital outlay and debt service, minus the amount of the foundation aid formula allowance for the child and the special education aid, transportation aid, and any other aid earned in behalf of the child. The limit set forth in subdivision 4 shall apply to aid paid pursuant to this subdivision.

To the extent possible, the commissioner shall obtain reimbursement from another state for the cost of serving any child whose parent or guardian resides in that state. The commissioner may contract with the appropriate authorities of other states to effect reimbursement. All money received from other states shall be paid to the state treasury and placed in the general fund.

Subd. 7. [PROGRAM AND AID APPROVAL.] Before June 1 of each year, each district providing special instruction and services to handicapped children shall submit to the commissioner an application for approval of these programs and their budgets for the next school year. The application shall include an enumeration of the costs proposed as eligible for state aid pursuant to this section and of the estimated number and grade level of handicapped children in the district who will receive special instruction and services during the next school year. The application shall also include any other information deemed necessary by the commissioner for the calcula-

tion of state aid and for the evaluation of the necessity of the program, the necessity of the personnel to be employed in the program, the amount which the program will receive from grants from federal funds, or special grants from other state sources, and the program's compliance with the rules and standards of the state board. The commissioner shall review each application to determine whether the program and the personnel to be employed in the program are actually necessary and essential to meet the district's obligation to provide special instruction and services to handicapped children pursuant to section 120.17. The commissioner shall not approve aid pursuant to this section for any program or for the salary of any personnel determined to be unnecessary or unessential on the basis of this review. The commissioner may also withhold all or any portion of the aid for programs which receive grants from federal funds, or special grants from other state sources. By August 31 the commissioner shall approve, disapprove or modify each application, and notify each applying district of the action and of the estimated amount of aid for the programs. The commissioner shall provide procedures for districts to submit additional applications for program and budget approval during the school year, for programs needed to meet any substantial changes in the needs of handicapped children in the district. Notwithstanding the provisions of section 124.15, the commissioner may modify or withdraw the program or aid approval and withhold aid pursuant to this section without proceeding according to section 124.15 at any time the commissioner determines that the program does not comply with rules of the state board or that any facts concerning the program or its budget differ from the facts in the district's approved application.

Subd. 8. [MAINSTREAMING.] When planning programs for the education of handicapped children in the regular classroom, school districts are encouraged to consider the size of the regular class and to provide the support services necessary to insure successful mainstreaming.

Subd. 10. [SUMMER SCHOOL.] The state shall pay aid for the 1987 summer school programs for handicapped children on the basis of subdivisions 1b, 1d, and 5 for the preceding 1987-1988 school year. By March 15 of each year, districts shall submit separate applications for program and budget approval for summer school programs. The review of these applications shall be as provided in subdivision 7. By May 1 of each year, the commissioner shall approve, disapprove or modify the applications and notify the districts of the action and of the estimated amount of aid for the summer school programs.

Subd. 10a. [MAXIMUM REVENUE; SUMMER SCHOOL.] For the 1988 and later summer programs, a district's or cooperative's "maximum revenue" for special education summer programs equals an amount not to exceed the sum of the following:

(a) 67.3 percent of the salary of essential personnel employed in the district's or cooperative center's summer program for handicapped children, plus

(b) 48 percent of the amount expended for supplies and equipment purchased or rented for use in the instruction of handicapped children, not to exceed an average of \$8 for each handicapped child receiving instruction during the summer program, plus

(c) for special instruction and services provided as part of a summer school program to any pupil pursuant to section 120.17, subdivision 2, clause (i), by contract with public, private or voluntary agencies other than school districts, 52.8 percent of the difference between the amount of the contract and the summer school revenue allowance of the district attributable to that pupil.

Subd. 10b. [BASIC AID; SUMMER SCHOOL.] For the 1988 and later summer programs, a district's or cooperative center's "basic aid" for special education summer programs equals the sum of the following:

(a) \$13,100 times the number of full-time equivalent licensed personnel employed in the district's or cooperative center's summer program for handicapped children, plus

(b) \$4,300 times the number of full-time equivalent essential unlicensed personnel employed in the district's or cooperative center's summer program for handicapped children.

Subd. 10c. [LEVY EQUALIZATION AID; SUMMER PROGRAM.] For the 1988 and later summer programs, a district's or cooperative center's levy equalization aid shall be the result of the following computation:

(a) Subtract the basic aid according to subdivision 10b, from the maximum revenue according to section 10a.

(b) Subtract the special education summer program levy limitation according to section 38 from the result in clause (a).

(c) Divide the actual special education summer program levy by the special education summer program levy limitation.

(d) Multiply the result in clause (b) by the result in clause (c).

Subd. 10d. [TOTAL AID; SUMMER PROGRAM.] For the 1988 and later summer programs, a district's or cooperative center's total special education aid equals the sum of its basic aid according to subdivision 10b and its levy equalization aid according to subdivision 10c.

Sec. 23. Minnesota Statutes 1986, section 124.481, is amended to read:



## 124.481 [INDIAN POST-SECONDARY PREPARATION GRANTS.]

Subdivision 1. [PLAN FOR GRANTS.] The state board of education, with the advice of the Minnesota Indian scholarship committee, may make grants to school districts to support post-secondary preparation for secondary pupils who are of one-fourth or more Indian ancestry and who, in the opinion of the superintendent, have the capabilities to benefit from higher education. Distribution of the grants must be in accordance with a plan prepared by the state board, with the advice of the Minnesota Indian scholarship committee, that describes the objectives and methods of implementing the grant program, including the manner in which grants will be distributed in proportion to the geographical distribution of the Indian population of the state.

Subd. 2. [LONG-RANGE INDIAN EDUCATION PLAN.] (a) The school board in a district submitting a proposal under this section shall develop a long-range plan for the education of American Indians. The plan must include: (1) a description of the current status of education programs for American Indians including the relationship and role of all available programs and resources for attaining goals; (2) an assessment of the educational needs of American Indians within the district; and (3) a listing of district goals for the education of American Indians in the district.

(b) The plan must be developed in conjunction with the American Indian subcommittee of the curriculum advisory committee established under section 126.67. The plan must meet the criteria adopted by the state board of education for plans for the education of American Indian students.

Sec. 24. Minnesota Statutes 1986, section 124.573, is amended to read:

## 124.573 [CURRENT FUNDING FOR SECONDARY VOCATIONAL EDUCATION.]

Subdivision 1. The state shall pay aids for secondary vocational programs on a current funding basis.

Subd. 2. [SALARIES AND TRAVEL.] For the 1986-1987 and 1987-1988 school years, the eligible expenses for secondary vocational aid are: (1) the salaries paid to essential, licensed personnel in that school year for services rendered in that district's or center's approved secondary vocational education programs; (2) the costs of necessary travel between instructional sites by secondary vocational education teachers; and (3) the costs of necessary travel by secondary vocational education teachers accompanying students to and from vocational student organization meetings held within the state for educational purposes. The state shall pay to any district or cooper-

ative center 41.5 percent of the eligible expenses incurred in an approved secondary vocational program for each the 1986-1987 school year. The state shall pay to any district or cooperative center 39 percent of the eligible expenses incurred in an approved secondary vocational program for the 1987-1988 school year. The commissioner may withhold all or any portion of this aid for a secondary vocational education program which receives funds from any other source. In no event shall a district or center receive a total amount of state aid pursuant to this section which, when added to funds from other sources, will provide the program an amount for salaries and travel which exceeds 100 percent of the amount of its expenditures for salaries and travel in the program.

Subd. 2b. [SECONDARY VOCATIONAL AID.] For 1988-1989 and later school years, a district's or cooperative center's "secondary vocational aid" for secondary vocational education programs for a school year equals the sum of the following amounts:

(a) the greater of zero, or 60 percent of the difference between:

(1) the salaries paid to essential, licensed personnel in that school year for services rendered in that district's or cooperative center's approved secondary vocational education programs, and

(2) 28 percent of sum of the formula allowance plus total tier revenue attributable to secondary pupils for the number of hours that the pupils are enrolled in secondary vocational courses; and

(b) 30 percent of approved expenditures for the following:

(1) contracted services provided by a public or private agency other than a Minnesota school district or cooperative center under section 124.573, subdivision 3a;

(2) necessary travel between instructional sites by licensed secondary vocational education personnel;

(3) necessary travel by licensed secondary vocational education personnel for vocational student organization activities held within the state for instructional purposes;

(4) curriculum development activities that are part of a five-year plan for improvement based on program assessment;

(5) necessary travel by licensed secondary vocational education personnel for noncollegiate credit bearing professional development; and

(6) specialized vocational instructional supplies.

Subd. 2c. [COOPERATIVE CENTERS.] In making the computation in subdivision 2b, paragraph (a), clause (2), for a cooperative center, the formula allowance plus total tier revenue is the average of the sums for each member district.

Subd. 3. [COMPLIANCE WITH RULES.] This Aid shall be paid under this section only for services rendered or for the costs ~~designated in subdivision 2 which~~ are incurred in secondary vocational education programs approved by the state department of education and operated in accordance with rules promulgated by the state board of education. These rules shall provide minimum student-staff ratios required for a secondary vocational education program in a cooperative center to qualify for this aid. The rules shall not require any minimum number of administrative staff, any minimum period of coordination time or extended employment for secondary vocational education personnel, or the availability of vocational student activities or organizations for a secondary vocational education program to qualify for this aid. The requirement in these rules that program components be available for a minimum number of hours shall not be construed to prevent pupils from enrolling in secondary vocational education courses on an exploratory basis for less than a full school year. The state board of education shall not require a school district to offer more than four credits or 560 hours of vocational education course offerings in any school year. Rules relating to secondary vocational education programs shall not incorporate the provisions of the state plan for vocational education by reference. This aid shall be paid only for services rendered and for travel costs incurred by essential, licensed personnel who meet the work experience requirements for licensure pursuant to the rules of the state board of education. Licensed personnel means persons holding a valid secondary vocational license issued by the department of education, except that when an average of five or fewer secondary full-time equivalent students are enrolled per teacher in an approved post-secondary program at intermediate district numbers 287, 916, or 917, licensed personnel means persons holding a valid vocational license issued by the department of education or the state board for vocational technical education. Notwithstanding section 124.15, the commissioner may modify or withdraw the program or aid approval and withhold aid under this section without proceeding under section 124.15 at any time. To do so, the commissioner must determine that the program does not comply with rules of the state board or that any facts concerning the program or its budget differ from the facts in the district's approved application.

Subd. 3a. [AID FOR CONTRACTED SERVICES.] In addition to the provisions of subdivisions 2 and 3, a school district or cooperative center may contract with a public or private agency other than a Minnesota school district or cooperative center for the provision of secondary vocational education services. For the 1986-1987 school year, the state shall pay each district or cooperative center 40

percent of the amount of a contract entered into pursuant to this subdivision. For the 1987-1988 school year, the state shall pay each district or cooperative center 35 percent of the amount of a contract entered into under this subdivision. The state board shall promulgate rules relating to program approval procedures and criteria for these contracts and aid shall be paid only for contracts approved by the commissioner of education. For the purposes of subdivision 4, the district or cooperative center contracting for these services shall be construed to be providing the services. ~~For the purposes of subdivision 5, aid for these contracts shall be distributed on the same basis as aids for salaries and travel.~~

Subd. 4. [ALLOCATIONS; COOPERATIVES, INTERMEDIATE DISTRICTS.] All secondary vocational education aid shall be paid to the district or cooperative center providing the services. All secondary vocational education aid received by a district or center from any source shall be utilized solely for the purposes of secondary vocational education programs.

Sec. 25. Minnesota Statutes 1986, section 124.574, subdivision 2b, is amended to read:

Subd. 2b. [SALARIES.] ~~Each~~ For the 1987-1988 school year, the state shall pay to any district or cooperative center a portion of the salary of each essential licensed person employed during that school year for services rendered in that district or center's secondary vocational education programs for handicapped children. The portion for a full-time person shall be an amount not to exceed the lesser of 70 67.3 percent of the salary or \$19,500 \$18,700. The portion for a part-time or limited-time person shall be the lesser of ~~70 67.3 percent of the salary or the product of \$19,500 \$18,700 times the ratio of the person's actual employment to full-time employment.~~

Sec. 26. Minnesota Statutes 1986, section 124.524, is amended by adding a subdivision to read:

Subd. 2c. [MAXIMUM REVENUE.] For 1988-1989 and later school years, a district's or cooperative center's "maximum revenue" for secondary vocational education programs for handicapped children for a school year equals an amount not to exceed the sum of the following:

(a) 67.3 percent of the salary of essential licensed personnel employed during that school year for services rendered in that district's or center's secondary vocational programs for handicapped children, plus

(b) 48 percent of the costs of necessary equipment for secondary vocational education programs for handicapped children; plus

(c) 48 percent of the costs of necessary travel between instructional sites by secondary vocational education teachers of handicapped children, but not including travel to and from local, regional, district, state or national vocational student organization meetings; plus

(d) 48 percent of the costs of necessary supplies for secondary vocational education programs for handicapped children, but not to exceed an average of \$48 in any one school year for each handicapped child receiving these services, plus

(e) For secondary vocational education programs for handicapped children provided by contract with a public or private agency other than a Minnesota school district or cooperative center, 52.8 percent of the difference between the amount of the contract and the foundation aid formula allowance of the district attributable to pupils who receive services by contract.

Sec. 27. Minnesota Statutes 1986, section 124.574, is amended by adding a subdivision to read:

Subd. 2d. [BASIC AID.] For 1988-1989 and later school years, a district's or cooperative center's "basic aid" for secondary vocational education programs for handicapped children equals \$13,100 times the number of full-time equivalent essential licensed personnel employed during that school year in the district's or cooperative center's secondary vocational education program for handicapped children.

Sec. 28. Minnesota Statutes 1986, section 124.574, is amended by adding a subdivision to read:

Subd. 2e. [LEVY EQUALIZATION AID.] For 1988-1989 and later school years, a district's or cooperative center's levy equalization aid shall be the result of the following computation:

(a) Subtract the basic aid according to subdivision 2d from the maximum revenue according to subdivision 2c.

(b) Subtract the secondary vocational handicapped levy limitation according to section 40 from the result in clause (a).

(c) Divide the actual secondary vocational handicapped levy by the secondary vocational handicapped levy limitation.

(d) Multiply the result in clause (b) by the result in clause (c).

Sec. 29. Minnesota Statutes 1986, section 124.574, is amended by adding a subdivision to read:

Subd. 2f. [TOTAL AID.] For 1988-1989 and later school years, a district's or cooperative center's total aid for secondary vocational programs for handicapped children equals the sum of its basic aid according to subdivision 2d and its levy equalization aid according to subdivision 2e.

Sec. 30. Minnesota Statutes 1986, section 124.574, subdivision 3, is amended to read:

Subd. 3. [EQUIPMENT, TRAVEL, AND SUPPLIES.] In addition to the provisions of subdivision 2 2b, the state shall pay for each the 1987-1988 school year, except for the 1982-1983 school year:

(a) ~~50~~ 48 percent of the costs of necessary equipment for these secondary vocational education programs for handicapped children;

(b) ~~50~~ 48 percent of the costs of necessary travel between instructional sites by secondary vocational education teachers of handicapped children, but not including travel to and from local, regional, district, state or national vocational student organization meetings; and

(c) ~~50~~ 48 percent of the costs of necessary supplies for these secondary vocational education programs for handicapped children, but not to exceed an average of ~~\$50~~ \$48 in any one school year for each handicapped child receiving these services.

Sec. 31. Minnesota Statutes 1986, section 124.574, subdivision 4, is amended to read:

Subd. 4. [AID FOR CONTRACTED SERVICES.] In addition to the provisions of subdivisions 2 2b and 3, a school district may contract with a public or private agency other than a Minnesota school district or cooperative center for the provision of secondary vocational education programs for handicapped children. For the 1987-1988 school year, the formula for payment of aids for these contracts shall be that provided in section 124.32, subdivision 1b. The state board shall promulgate rules relating to approval procedures and criteria for these contracts and aid shall be paid only for contracts approved by the commissioner of education. For the purposes of subdivision 6, the district or cooperative center contracting for these services shall be construed to be providing these services. For the purposes of subdivision 8, aid for these contracts shall be distributed on the same basis as aids for salaries, supplies and travel.

Sec. 32. Minnesota Statutes 1986, section 126.48, is amended by adding a subdivision to read:

Subd. 7. [LONG-RANGE INDIAN EDUCATION PLAN.] (a) The school board, in a district submitting a proposal under sections 126.45 to 126.55, shall develop a long-range plan for the education of American Indians. The plan must include:

(1) a description of the current status of education programs for American Indians including the relationship and role of all available programs and resources for attaining goals;

(2) an assessment of the educational needs of American Indians within the district; and

(3) a listing of district goals for the education of American Indians in the district.

(b) The plan must be developed in conjunction with the American Indian subcommittee of the curriculum advisory committee established under section 126.67. The plan must meet the criteria adopted by the state board of education for plans for the education of American Indian students.

Sec. 33. Minnesota Statutes 1986, section 136D.27, is amended to read:

**136D.27 [TAX LEVIES, CERTIFICATES OF INDEBTEDNESS.]**

Each year the joint school board may each year, for the purpose of paying any administrative, planning, operating, or capital expenses incurred or to be incurred for area vocational technical schools, certify to each participating school district the tax levy specified in section 275.125, subdivision 13, clause (2). Additional tax levies may be certified which that shall not in any year exceed .6 mills on each dollar of adjusted assessed valuation for special education and .7 mills on each dollar of adjusted assessed valuation for expenses for secondary vocational education. Each participating school district shall include such tax levies in the next tax roll which it shall certify to the county auditor or auditors, and shall remit the collections of such levies to the board promptly when received. Such levies shall not be included in computing the limitations upon the levy of any district under sections 124A.03, 124A.06, subdivision 3a, 124A.08, subdivision 3a, 124A.10, subdivision 3a, 124A.12, subdivision 3a, 124A.14, subdivision 5a, and 275.125. The board may, any time after such levies have been certified to the participating school districts, issue and sell certificates of indebtedness in anticipation of the collection of such levies, but in aggregate amounts such as will not exceed the portion of the levies which is then not collected and not delinquent.

Sec. 34. Minnesota Statutes 1986, section 136D.71, is amended to read:

**136D.71 [LISTED DISTRICTS MAY FORM INTERMEDIATE DISTRICT.]**

Notwithstanding any other law to the contrary, two or more of the independent school districts numbered 12 and 16 of Anoka county, independent school districts numbered 621, 622, 623, and 624 of Ramsey County, and independent school districts numbered 832, 833, and 834 of Washington County, are hereby authorized to enter into an agreement to establish a special intermediate school district upon majority vote of the full membership of each of the boards of the districts entering into the agreement. When such resolution has been adopted by the board of one of the districts, it shall be published once in a newspaper of general circulation in said district. If a petition for referendum on the question of said district entering into such agreement is filed with the clerk of the said board within 60 days after publication of such resolution, signed by the qualified voters of said district equal to five percent of the number of voters at the last annual school election. No board shall enter into such agreement until the question of whether the district shall enter into the agreement has been submitted to the voters of said district at a special election. Said election shall be conducted and canvassed in accordance with section 123.32.

If a majority of the total number of votes cast on the question within said district is in favor of the question, the board of said school district may thereupon proceed to enter into an agreement to establish the special intermediate school district for purposes herein described. Such school district so created shall be known as north-eastern metropolitan intermediate school district, state of Minnesota. The commissioner of education shall assign an appropriate identification number as provided by section 122.03.

Sec. 35. Minnesota Statutes 1986, section 136D.74, subdivision 2, is amended to read:

Subd. 2. [TAX LEVY.] Each year the intermediate school board may in each year for the purpose of paying any administrative, planning, operating, or capital expenses incurred or to be incurred certify to each county auditor of each county in which said intermediate school district shall lie, as a single taxing district, the tax levy specified in section 275.125, subdivision 13, clause (2). Additional tax levies may be certified which that shall not in any year exceed .6 mills on each dollar of adjusted assessed valuation for expenses for special education and .5 .7 mills on each dollar of adjusted assessed valuation for expenses for secondary vocational education. Said annual tax levies shall be certified pursuant to section 275.07. Upon such certification the county auditor or auditors and other appropriate county officials shall levy and collect such levies and remit the proceeds of collection thereof to the intermediate school district as in the case with independent school districts. Such levies shall not be included in computing the limitations, if any, upon the levy of the



intermediate district or any of the participating districts under sections 124A.03, 124A.06, subdivision 3a, 124A.08, subdivision 3a, 124A.10, subdivision 3a, 124A.12, subdivision 3a, 124A.14, subdivision 5a, and 275.125.

Sec. 36. Minnesota Statutes 1986, section 136D.87, is amended to read:

136D.87 [TAX LEVIES, CERTIFICATES OF INDEBTEDNESS.]

Each year the joint school board may each year, for the purpose of paying any administrative, planning, operating, or capital expenses incurred or to be incurred for area vocational technical schools, certify to each participating school district the tax levy specified in section 275.125, subdivision 13, clause (2). Additional tax levies may be certified which that shall not in any year exceed .6 mills on each dollar of adjusted assessed valuation for expenses for special education and .5 .7 mills on each dollar of adjusted assessed valuation for expenses for secondary vocational education. Each participating school district shall include such tax levies in the next tax roll which it shall certify to the county auditor or auditors, and shall remit the collections of such levies to the board promptly when received. Such levies shall not be included in computing the limitations upon the levy of any district under sections 124A.03, 124A.06, subdivision 3a, 124A.08, subdivision 3a, 124A.10, subdivision 3a, 124A.12, subdivision 3a, 124A.14, subdivision 5a, and 275.125. The board may, any time after such levies have been certified to the participating school districts, issue and sell certificates of indebtedness in anticipation of the collection of such levies, but in aggregate amounts such as will not exceed the portion of the levies which is then not collected and not delinquent.

Sec. 37. Minnesota Statutes 1986, section 275.125, subdivision 8c, is amended to read:

Subd. 8c. [SPECIAL EDUCATION LEVY.] Each year, a district, excluding intermediate school district Nos. 287, 916, and 917, may levy an amount that may not exceed 70 percent of salaries paid to essential personnel in that district minus the amount of state aid and any federal aid, if applicable, paid to that district for salaries of these essential personnel under sections 124.32, subdivisions 1b and 10 and 124.574, subdivision 2b plus 65 percent of salaries paid to essential personnel in that district minus the amount of state aid and any federal aid, if applicable, paid to that district for salaries of these essential personnel under section 124.273, subdivision 1b for the year to which the levy is attributable. for special education programs an amount equal to the result of the following computation:

(a) Subtract the amount of the district's basic aid for the year to which the levy is attributable according to section 22, subdivision

1g, from the amount of the district's maximum revenue for the year to which the levy is attributable according to section 22, subdivision 1f;

(b) Multiply the result in clause (a) by the lesser of one, or the ratio of:

(1) the quotient derived by dividing the adjusted assessed valuation of the district for the year before the year the levy is certified by the total pupil units in the district for the school year to which the levy is attributable, to

(2) the equalizing factor for the school year to which the levy is attributable.

For purposes of this subdivision, a special education cooperative or an intermediate school district each year shall allocate an amount equal to 70 percent of salaries paid to essential personnel in that intermediate district or cooperative minus the amount of state aid and any federal aid, if applicable, paid to that intermediate district or cooperative for salaries of these essential personnel under sections 124.32, subdivisions 1b and 10 and 124.574, subdivision 2b, plus 65 percent of salaries paid to essential personnel in that intermediate district or cooperative minus the amount of state aid and any federal aid, if applicable, paid to that intermediate district or cooperative for salaries of these essential personnel under section 124.273, subdivision 1b for the year to each of the difference between its maximum revenue according to section 22, subdivision 1f, and its basic aid according to section 22, subdivision 1g, for the year to which the levy is attributable among the member districts and other districts using the special education services of the cooperative or the intermediate district. The member districts may make a levy in the amount of the costs allocated to them by the cooperative or intermediate district.

Special education cooperatives and intermediate school districts that allocate unreimbursed portions of salaries of special education essential personnel among member districts, for purposes of the member districts making a levy under this subdivision, shall provide information to the state department of education on the amount of unreimbursed costs of salaries they amounts allocated to the member participating districts. The state department of education shall include the amounts allocated to the participating districts in computing the districts' special education levy limitations pursuant to this section.

Sec. 38. Minnesota Statutes 1986, section 275.125, is amended by adding a subdivision to read:

Subd. 8d. [SPECIAL EDUCATION SUMMER PROGRAM LEVY.] Each year, a district, excluding intermediate school district Nos. 287,

916 and 917, may levy for special education summer programs an amount equal to the result of the following computation:

(a) Subtract the amount of the district's basic aid for the year to which the levy is attributable according to section 22, subdivision 10b, from the amount of the district's maximum revenue for the year to which the levy is attributable according to section 22, subdivision 10a.

(b) Multiply the result in clause (a) by the lesser of one, or the ratio of:

(1) the quotient derived by dividing the adjusted assessed valuation of the district for the year before the year the levy is certified by the total pupil units in the district for the school year to which the levy is attributable, to

(2) the equalizing factor for the school year to which the levy is attributable.

For purposes of this section, a special education cooperative or an intermediate district shall allocate an amount equal to the difference between its maximum revenue according to section 22, subdivision 10a, and its basic aid according to section 22, subdivision 10b, for the year to which the levy is attributable among its member districts or other districts using the summer program service of the cooperative or intermediate district.

Special education cooperatives and intermediate school districts shall provide information to the state department of education on the amounts allocated to the participating districts.

The state department of education shall include the amounts allocated to the participating districts in computing the districts' special education summer program levy limitations pursuant to this section.

Sec. 39. Minnesota Statutes 1986, section 275.125, is amended by adding a subdivision to read:

Subd. 8e. [LIMITED ENGLISH PROFICIENCY LEVY.] Each year, a district, excluding intermediate school district Nos. 287, 916 and 917, may levy for limited English proficiency programs an amount equal to the result of the following computation:

(a) Subtract the amount of the district's basic aid for the year to which the levy is attributable according to section 19 from the amount of the district's maximum revenue for the year to which the levy is attributable according to section 18.

(b) Multiply the result in clause (a) by the lesser of one, or the ratio of:

(1) the quotient derived by dividing the adjusted assessed valuation of the district for the year before the year the levy is certified by the total pupil units in the district for the school year to which the levy is attributable, to

(2) the equalizing factor for the school year to which the levy is attributable.

For purposes of this section, a special education cooperative or an intermediate district shall allocate an amount equal to the difference between its maximum revenue according to section 18 and its basic aid according to section 19 for the year to which the levy is attributable among its member districts or other districts using the limited English proficiency services of the cooperative or intermediate district.

Special education cooperatives and intermediate school districts shall provide information to the state department of education on the amounts allocated to the participating districts.

The state department of education shall include the amounts allocated to the participating districts in computing the districts' limited English proficiency program levy limitations pursuant to this section.

Sec. 40. Minnesota Statutes 1986, section 275.125, is amended by adding a subdivision to read:

Subd. 8f. [SECONDARY VOCATIONAL HANDICAPPED LEVY.] Each year, a district, excluding intermediate school district Nos. 287, 916 and 917, may levy for secondary vocational education for handicapped children programs an amount equal to the result of the following computation:

(a) Subtract the amount of the district's basic aid for the year to which the levy is attributable according to section 27 from the amount of the district's maximum revenue for the year to which the levy is attributable according to section 26.

(b) Multiply the result in clause (a) by the lesser of one, or the ratio of:

(1) the quotient derived by dividing the adjusted assessed valuation of the district for the year before the year the levy is certified by the total pupil units in the district for the school year to which the levy is attributable, to

(2) the equalizing factor for the school year to which the levy is attributable.

For purposes of this section, a special education cooperative or an intermediate district shall allocate an amount equal to the difference between its maximum revenue according to section 26 and its basic aid according to section 27 for the year to which the levy is attributable among its member districts or other districts using the secondary vocational handicapped program of the cooperative or intermediate district.

Special education cooperatives and intermediate school districts shall provide information to the state department of education on the amounts allocated to the participating districts.

The state department of education shall include the amounts allocated to the participating districts in computing the districts' special education summer program levy limitations pursuant to this section.

#### Sec. 41. [SPECIAL EDUCATION LEVY ADJUSTMENTS.]

The department shall make adjustments to the 1986 payable 1987 levies authorized under Minnesota Statutes 1986, section 275.125, subdivision 8c, in accordance with the changes made in this article.

#### Sec. 42. [APPROPRIATIONS.]

Subdivision 1. [DEPARTMENT OF EDUCATION.] There is appropriated from the general fund to the department of education the sums indicated in this section for the fiscal years ending June 30 in the years designated.

Subd. 2. [SPECIAL EDUCATION AID.] For special education aid there is appropriated:

\$152,533,600.....1988,

\$144,367,900.....1989.

The appropriation for 1988 includes \$21,847,100 for aid for fiscal year 1987 payable in fiscal year 1988, and \$130,686,500 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriation for 1989 includes \$23,437,600 for aid for fiscal year 1988 payable in fiscal year 1989 and \$120,930,300 for aid for fiscal year 1989 payable in fiscal year 1989.

\$8,702,500 of the appropriation for 1988 and \$8,945,700 of the appropriation for 1989 are for programs for children below age five.

The appropriations are based on aid entitlements of \$154,124,100 for fiscal year 1988 and \$142,646,200 for fiscal year 1989.

Subd. 3. [SUMMER SCHOOL SPECIAL EDUCATION AID.] For special education aid for summer school programs there is appropriated:

\$5,440,400.....1988,

\$5,495,500.....1989.

The appropriation for 1988 is for 1987 summer school programs.

The appropriation for 1989 is for 1988 summer school programs.

Subd. 4. [TRAVEL FOR HOME-BASED SERVICES.] For aid for teacher travel for home-based services for handicapped children under age five and their families there is appropriated:

\$251,500.....1988,

\$266,000.....1989.

The appropriation for 1988 includes \$35,100 for aid for fiscal year 1987 payable in 1988 and \$216,400 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriation for 1989 includes \$38,200 for fiscal year 1988 payable in fiscal year 1989 and \$227,800 for fiscal year 1989.

The appropriation is based on aid entitlements of \$254,600 for fiscal year 1988 and \$268,000 for fiscal year 1989.

Subd. 5. [RESIDENTIAL FACILITIES AID.] For aid pursuant to section 124.32, subdivision 5, there is appropriated:

\$1,512,300.....1988,

\$1,548,900.....1989.

Subd. 6. [LIMITED ENGLISH PROFICIENCY PUPILS PROGRAM AID.] For aid to educational programs for pupils of limited English proficiency pursuant to section 124.273, there is appropriated:

\$2,939,700.....1988,

\$2,957,900.....1989.

The appropriation for 1988 includes \$430,700 for aid for fiscal year 1987 payable in fiscal year 1988 and \$2,509,000 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriation for 1989 includes \$442,800 for aid for fiscal year 1988 payable in fiscal year 1989 and \$2,515,100 for aid for fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$2,951,800 for fiscal year 1988 and \$2,959,000 for fiscal year 1989.

Subd. 7. [INDIAN SCHOLARSHIPS.] For Indian scholarships awarded under section 124.48, there is appropriated:

\$1,581,800.....1988,

\$1,581,800.....1989.

Subd. 8. [INDIAN POST-SECONDARY PREPARATION GRANTS.] For Indian post-secondary preparation grants made to districts under section 124.481, there is appropriated:

\$781,400.....1988,

\$781,400.....1989.

Subd. 9. [AMERICAN INDIAN LANGUAGE AND CULTURE PROGRAM AID.] For grants to American Indian language and culture education programs pursuant to section 126.54, subdivision 1, there is appropriated:

\$588,400.....1988,

\$588,300.....1989.

The appropriation for 1988 includes \$88,300 for aid for fiscal year 1987 payable in fiscal year 1988, and \$500,100 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriation for 1989 includes \$88,200 for aid for fiscal year 1988 payable in fiscal year 1989 and \$500,100 for aid for fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$588,300 for fiscal year 1988 and \$588,300 for fiscal year 1989.

Subd. 10. [INDIAN EDUCATION.] For certain Indian education programs there is appropriated:

\$174,800.....1988,

\$174,800.....1989.

The appropriation for aid for fiscal year 1988 includes \$26,200 for aid for fiscal year 1987 payable in fiscal year 1988 and \$148,600 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriation for fiscal year 1989 includes \$26,200 for aid for fiscal year 1988 payable in fiscal year 1989 and \$148,600 for aid for fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$174,800 for fiscal year 1988 and \$174,800 for fiscal year 1989.

These appropriations are available for expenditure with the approval of the commissioner of education.

The commissioner shall not approve the payment of any amount to a school district pursuant to this subdivision unless that school district is in compliance with all applicable laws of this state.

Up to the following amounts may be distributed to the following school districts for each of fiscal years 1988 and 1989: \$54,848 to independent school district No. 309-Pine Point School; \$9,685 to independent school district No. 166; \$14,949 to independent school district No. 432; \$14,053 to independent school district No. 435; \$42,163 to independent school district No. 707; and \$39,057 to independent school district No. 38. These amounts shall be expended only for the benefit of Indian students and for the purpose of meeting established state educational standards or statewide requirements.

These appropriations are available only if there will not be available for the districts enumerated in this subdivision for the applicable school year any operation support funds from the federal bureau of Indian affairs pursuant to the Johnson-O'Malley Act, Public Law Number 73-167 or title 25, Code of Federal Regulations, part 273.31, or equivalent money from the same or another source.

Before a district can receive moneys pursuant to this subdivision, the district must submit to the commissioner of education evidence that it has:

(a) complied with the uniform financial accounting and reporting standards act, Minnesota Statutes, sections 121.90 to 121.917. For each school year, compliance with Minnesota Statutes, section 121.908, subdivision 3a, shall require the school district to prepare one budget including the amount available to the district pursuant to this subdivision and one budget which does not include these moneys. The budget of that school district for the 1989-1990 school



year prepared according to Minnesota Statutes, section 121.908, subdivision 3a, shall be submitted to the commissioner of education at the same time as 1988-1989 budgets and shall not include any moneys appropriated in this subdivision;

(b) conducted a special education needs assessment and prepared a proposed service delivery plan according to Minnesota Statutes, sections 120.03 and 120.17; Public Law Number 94-142, the "Education for All Handicapped Children Act of 1975"; and applicable state board of education rules; and

(c) compiled accurate daily pupil attendance records.

Prior to approving payment of any amount to a school district pursuant to this subdivision, the commissioner shall review and evaluate each affected district's compliance with clauses (a), (b), and (c), and any other applicable laws, and each affected district's need for the moneys. Each affected district's net unappropriated fund balance in all operating funds as of June 30 of the previous school year shall be taken into consideration.

Subd. 11. [SECONDARY VOCATIONAL EDUCATION AID.] For secondary vocational education aid pursuant to Minnesota Statutes, section 124.573, there is appropriated:

\$19,549,500.....1988,

\$18,652,500.....1989.

The appropriation for 1988 includes \$2,972,300 for aid for fiscal year 1987 payable in fiscal year 1988, \$16,577,200 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriation for 1989 includes \$2,925,300 for aid for fiscal year 1988 payable in fiscal year 1989, \$15,727,200 for aid for fiscal year 1989 payable in fiscal year 1989.

The department may also use up to \$41,600 of the appropriation for 1988 and up to \$36,600 of the appropriation for 1989 for secondary vocational student organizations.

The appropriations are based on aid entitlements of \$19,502,500 for fiscal year 1988 and \$18,502,600 for fiscal year 1989.

For purposes of this subdivision, money appropriated for secondary vocational education programs may not be expended for the purpose of discontinuing or converting existing senior secondary school industrial arts education programs.

Subd. 12. [SECONDARY VOCATIONAL HANDICAPPED.] For aid for secondary vocational education for handicapped pupils according to section 124.574, there is appropriated:

\$4,407,700.....1988,

\$4,800,200.....1989.

The appropriation for 1988 includes \$543,500 for aid for fiscal year 1987 payable in fiscal year 1988 and \$3,864,200 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriation for 1989 includes \$681,900 for aid for fiscal year 1988 payable in fiscal year 1989, and \$4,118,300 for aid for 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$4,546,100 for fiscal year 1988 and \$4,845,100 for fiscal year 1989.

Subd. 13. [OFFICE ON TRANSITION SERVICES.] For the inter-agency office on transition services under section 120.183, there is appropriated:

\$77,000.....1988,

\$77,000.....1989.

Subd. 14. [PRORATION.] Except as provided in Minnesota Statutes, section 124.14, subdivision 7, none of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated. If the appropriation amount attributable to either year for the purpose indicated plus the amount of any transfers made according to Minnesota Statutes, section 124.14, subdivision 7, is insufficient, the aid for that year shall be prorated among all qualifying districts and the state shall not be obligated for any additional amount for these purposes.

Sec. 43. [REPEALER.]

Minnesota Statutes 1986, sections 120.17, subdivision 13 and 124.273, subdivision 2b, are repealed.

Sec. 44. [APPLICATION, NO LOCAL APPROVAL.]

Subdivision 1. [DISTRICT NO. 916.] Sections 34 and 35 apply to intermediate school district No. 916 and are effective without local approval under Minnesota Statutes, section 645.023.

Subd. 2. [DISTRICT NO. 917.] Section 36 applies to intermediate district No. 917 and is effective without local approval under Minnesota Statutes, section 645.023.

## ARTICLE 4

### COMMUNITY AND ADULT EDUCATION

Section 1. Minnesota Statutes 1986, section 121.87, subdivision 1, is amended to read:

Subdivision 1. [APPOINTMENT; MEMBERSHIP.] The state board of education ~~may~~ shall appoint a community education advisory task force for the purpose of promoting the furtherance of sections 121.85 to 121.88, and the advancement of educational, recreational and social opportunity through the maximum utilization of public ~~school~~ facilities and community resources throughout the state of Minnesota. ~~If appointed,~~ The task force shall include at least one member from each congressional district and members who represent government and professions most closely related to community education and youth development activities.

Sec. 2. Minnesota Statutes 1986, section 121.87, is amended by adding a subdivision to read:

Subd. 1a. [RESPONSIBILITIES.] The community education advisory task force, in consultation with the commissioners of health, human services, and jobs and training or their designees, shall:

(1) develop a statewide plan to promote a coordinated interagency approach to addressing the needs and developing the resources of youth, from birth to age 21, at both the state and local level through programs such as positive youth development partnerships, youth in community service programs, and interagency programs for providing services to at-risk young children and youth;

(2) make recommendations to the state board of education and other appropriate entities on means for improving coordination of efforts by various state and local agencies and programs in addressing the needs of and opportunities for youth; and

(3) develop model plans for an interagency approach by local advisory councils.

Sec. 3. Minnesota Statutes 1986, section 121.88, subdivision 2, is amended to read:

Subd. 2. [ADVISORY COUNCIL.] Each board shall provide for an advisory council to consist of members who represent: various

service organizations; churches; ~~private~~ public and nonpublic schools; local government including elected officials; public and private non-profit agencies serving youth and families; parents; youth; park, recreation or forestry services of municipal or local government units located in whole or in part within the boundaries of the school district; and any other groups participating in the community education program in the school district.

Sec. 4. Minnesota Statutes 1986, section 121.88, is amended by adding a subdivision to read:

Subd. 8. [YOUTH DEVELOPMENT PLANS.] A district or group of districts, in consultation with the advisory councils established under subdivision 2, may submit a youth development plan to the state board of education. The plans must include at least the following:

(1) commitment by local agencies and service providers to participate in a coordinated effort to provide existing and new services to youth, from birth to age 21;

(2) plans for using existing resources and available services more effectively;

(3) identification of necessary services and programs that could be provided with a coordinated interagency approach including programs for at-risk youth and for youth employment and service to the community;

(4) description of plans for coordinating services and programs, including use of available funds;

(5) commitment to developing a partnership among home, school, and community focused on issues relating to the positive development of youth; and

(6) description of evaluation plans.

Any district or group of districts that submits a youth development plan to the state board of education and makes a community levy is eligible for additional community education aid under section 5, beginning in the 1988-1989 school year.

Sec. 5. [122.884] [PARENT ADVISORY TASK FORCE.]

Subdivision 1. [APPOINTMENT; MEMBERSHIP.] By August 1, 1987, the state board of education and state board of vocational technical education shall appoint an advisory task force on parent education and parental involvement in the educational development of their children. The membership of the task force must include

representatives of parents of school-age children, early childhood family education programs, community education programs, vocational educators, and other appropriate education personnel.

Subd. 2. [RESPONSIBILITIES.] The advisory task force shall make recommendations on means of enhancing the involvement of parents in the educational process of their children, methods of educating parents in the development of their children, and methods of increasing cooperation among the community, elementary and secondary education systems, and secondary post-secondary vocational education systems. The task force shall make its recommendations to the state board of education and state board of vocational technical education, which shall jointly submit a report to the education committees of the legislature by February 1, 1989.

Sec. 6. Minnesota Statutes 1986, section 124.271, subdivision 2b, is amended to read:

Subd. 2b. [AID; 1986, 1987, 1988 AND AFTER.] (1) Each fiscal year a district which is operating a community education program in compliance with rules promulgated by the state board shall receive community education aid.

For fiscal year 1986, the aid shall be an amount equal to the difference obtained by subtracting

(a) an amount equal to .8 mill times the adjusted assessed valuation used to compute the community education levy limitation for the levy attributable to that school year, from

(b) the greater of

\$7,000, or

\$5.25 times the population of the district.

For fiscal year 1987, the aid shall be an amount equal to the difference obtained by subtracting

(a) an amount equal to .8 mill times the adjusted assessed valuation used to compute the community education levy limitation for the levy attributable to that school year, from

(b) the greater of

\$7,140, or

\$5.35 times the population of the district.

For fiscal year 1988 and each year thereafter, the aid shall be an amount equal to the difference obtained by subtracting

(a) an amount equal to .8 mill times the adjusted assessed valuation used to compute the community education levy limitation for the levy attributable to that school year, from

(b) the greater of

\$7,340, or

\$5.50 times the population of the district.

(2) However, for any district which certifies less than the maximum permissible levy under the provisions of section 275.125, subdivision 8, clause (1), the district's community education aid under clause (1) of this subdivision shall be reduced by multiplying the aid amount computed pursuant to clause (1) of this subdivision by the ratio of the district's actual levy under section 275.125, subdivision 8, clause (1), to its maximum permissible levy under section 275.125, subdivision 8, clause (1). For purposes of computing the aid reduction pursuant to this clause, the amount certified pursuant to section 275.125, subdivision 8, clause (1), shall not reflect reductions made pursuant to section 275.125, subdivision 9.

(3) In addition to the amount in clause (1), for fiscal year 1989 and each fiscal year thereafter, a district which makes a levy for community education programs under section 275.125, subdivision 8 and submits a youth development plan to the state board of education under section 4 shall receive additional aid in an amount equal to the greater of 50 cents per capita or \$680 per district to be used to implement the youth development plan.

Sec. 7. Minnesota Statutes 1986, section 124.2711, subdivision 1, is amended to read:

Subdivision 1. [DEFINITION OF MAXIMUM REVENUE.] ~~For fiscal year 1986 the "maximum revenue" for early childhood family education programs for a school year means the amount of revenue equal to the product of five percent of the foundation aid formula allowance for the current school year, times the greater of (a) 150, or (b) the number of people under five years of age residing in the district on September 1 of the preceding school year. For fiscal year 1987 and each year thereafter, the "maximum revenue" for early childhood family education programs for a school year means the amount of revenue equal to the product of five percent of the foundation aid formula allowance for the prior school year, times the greater of (a) 150, or (b) the number of people under five years of age residing in the district on September 1 of the preceding school year. For fiscal year 1988 and each year thereafter, the "maximum revenue" for early childhood family education programs for a school~~

year means the amount of revenue derived by multiplying \$84.50 times the greater of (a) 150, or (b) the number of people under five years of age residing in the district on September 1 of the preceding school year.

Sec. 8. [COORDINATED PLAN FOR YOUTH.]

The commissioner of education shall develop, in consultation with the commissioners of jobs and training and natural resources, a coordinated plan for enhanced youth education, employment, and service opportunities. This plan shall consider the current programming of the Minnesota Conservation Corps, the Minnesota Youth Program, the Summer Youth Employment and Training Program, community and secondary vocational education, and other appropriate programs in designing a coordinated cost-effective model which would enlarge opportunities for youth. The plan should also recommend a model for coordinated funding. The commissioners shall report to the appropriate committees of the legislature by January 1, 1988.

Sec. 9. [APPROPRIATIONS.]

Subdivision 1. [DEPARTMENT OF EDUCATION.] There is appropriated from the general fund to the department of education the sums indicated in this section for the fiscal years ending June 30 in the years designated.

Subd. 2. [ADULT EDUCATION AID.] For adult education aid according to section 124.26, there is appropriated:

\$2,500,000.....1988,

\$3,000,000.....1989.

The amount appropriated for fiscal year 1988 includes \$278,000 for aid for fiscal year 1987 payable in fiscal year 1988, and \$2,222,000 for aid for fiscal year 1988 payable in fiscal year 1988.

The amount appropriated for fiscal year 1989 includes \$392,100 for aid for fiscal year 1988 payable in fiscal year 1989, and \$2,607,900 for aid for fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$2,614,100 for fiscal year 1988 and \$3,068,100 for fiscal year 1989.

Subd. 3. [COMMUNITY EDUCATION AID.] For community education aid according to section 124.271, there is appropriated:

\$2,153,100.....1988,

\$4,059,600.....1989.

The amount appropriated for fiscal year 1988 includes \$260,100 for aid for fiscal year 1987 payable in fiscal year 1988, and \$1,893,000 for aid for fiscal year 1988 payable in fiscal year 1988.

The amount appropriated for fiscal year 1989 includes \$334,000 for aid for fiscal year 1988 payable in fiscal year 1989, and \$3,725,600 for aid for fiscal year 1989 payable in fiscal year 1989.

\$884,000 of the appropriation for fiscal year 1989 is for aid according to section 124.271, subdivision 2b, clause (3).

The appropriations are based on aid entitlements of \$2,227,000 for fiscal year 1988 and \$4,383,000 for fiscal year 1989.

Subd. 4. [EARLY CHILDHOOD FAMILY EDUCATION AID.] For early childhood family education aid according to section 124.2711 there is appropriated:

\$7,310,400.....1988,

\$8,186,500.....1989.

The appropriation for 1988 includes \$869,900 for aid for fiscal year 1987 payable in fiscal year 1988 and \$6,440,500 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriation for 1989 includes \$1,130,900 for aid for fiscal year 1988 payable in fiscal year 1989, and \$7,055,600 for aid for fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$7,571,400 for fiscal year 1988 and \$8,294,500 for fiscal year 1989.

The department of education may use up to \$31,500 of the appropriation for fiscal year 1988 and up to \$31,500 of the appropriation for fiscal year 1989 to provide technical assistance to districts implementing early childhood family education programs.

Subd. 5. [ADULT HANDICAPPED PROGRAM AID.] For aid for handicapped adult programs according to section 124.271, there is appropriated:

\$450,000.....1988,

\$550,000.....1989.

The appropriations are based on aid entitlements of \$450,000 for fiscal year 1988 and \$550,000 for fiscal year 1989.



Subd. 6. [COMMUNITY EDUCATION ADVISORY TASK FORCE.] To carry out the responsibilities under section 2, there is appropriated:

\$50,000.....1988.

The appropriation shall be available until the end of the bien-nium.

Subd. 7. [PARENT ADVISORY TASK FORCE.] For the parent advisory task force established under section 5, there is appropriated:

\$50,000.....1988.

The appropriation shall be available until the end of the bien-nium.

Subd. 8. [HEARING IMPAIRED SUPPORT SERVICES AID.] For payment of support services for hearing impaired persons pursuant to section 121.201, there is appropriated:

\$60,000.....1988,

\$60,000.....1989.

The appropriations are based on aid entitlements of \$60,000 for fiscal year 1988 and \$60,000 for fiscal year 1989.

Subd. 9. [PRORATION.] Except as provided in section 124.14, subdivision 7, none of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated. If the appropriation amount attributable to either year for the purpose indicated plus the amount of any transfers made according to section 124.14, subdivision 7, is insufficient, the aid for that year shall be prorated among all qualifying districts, and the state shall not be obligated for any additional amount for these purposes. However, if the appropriations for handicapped adult programs under subdivision 5 are prorated under this subdivision, the school districts shall not be required to reduce their adult handicapped program levy accordingly.

## ARTICLE 5

### MISCELLANEOUS AIDS

Section 1. [43A.315] [EMPLOYEES OF SCHOOL DISTRICTS.]

Subdivision 1. [DEFINITIONS.] In this section, the definitions in this subdivision apply.

(a) [COMMISSIONER.] "Commissioner" means the commissioner of the department of employee relations.

(b) [EMPLOYEE.] "Employee" means (1) a person who is a public employee within the definition of section 179A.03, subdivision 14, and is employed by an eligible employer; or (2) a person employed by another public educational employer approved by the commissioner of employee relations.

(c) [ELIGIBLE EMPLOYER.] "Eligible employer" means one of the following: a school district as defined in section 120.02; an educational cooperative service unit as defined in section 123.58; an intermediate district as defined in section 136C.02, subdivision 7; a cooperative center for vocational education as defined in section 123.351; a regional management information center as defined in section 121.935; or an education unit organized under the joint powers act, section 471.59.

(d) [EXCLUSIVE REPRESENTATIVE.] "Exclusive representative" means an exclusive representative as defined in section 179A.03, subdivision 8.

Subd. 2. [SCHOOL EMPLOYEE PARTICIPATION.] Participation in the basic benefits plan offered according to subdivision 3 is subject to the conditions in this subdivision.

(a) Each exclusive representative for an eligible employer determines whether the employees it represents will participate. The exclusive representative shall give notice to the employer of its determination to participate in the hospital, medical, life, and dental package before the execution of a new collective bargaining agreement or by April 1 of an odd-numbered year, whichever occurs first. The employer and the exclusive representative may by mutual consent make a determination at a later date to participate during the annual enrollment period established by the commissioner. By April 1 of an odd-numbered year, the employer must determine whether its employees who are not represented by an exclusive representative will participate in the hospital, medical, life, and dental package. Either all or none of an employer's unrepresented employees must participate.

(b) The decision to participate is for a three-year term if coverage begins in an even-numbered year and a four-year term if coverage begins in an odd-numbered year. Participation is automatically renewed for an additional four-year term unless the exclusive representative, or the employer in the case of unrepresented employees, gives the commissioner notice of withdrawal.

(c) The exclusive representative shall give notice of intent to withdraw to the commissioner before execution of a new collective bargaining agreement to cover the date on which the term of

participation expires, or April 1 of the year in which the term of participation expires, whichever is first. If there is no exclusive representative, the employer shall notify the commissioner by April 1 of the year in which participation expires. A group that withdraws shall wait two years before rejoining.

(d) Each participating employer shall notify the commissioner of the individuals who will be participating within two weeks of receiving notice of intent to participate and within two weeks of deciding that its unrepresented employees will participate. The employer shall also submit other information as required by the commissioner for administration of this plan.

Subd. 3. [BENEFITS.] By January 1, 1989, the commissioner of employee relations shall offer a basic benefits plan as provided to employees covered by section 43A.18, subdivision 2, or as modified by the commissioner, in consultation with a labor-management committee appointed by the commissioner. The plan shall include employee hospital, medical, dental, and life insurance for employees and hospital and medical benefits for dependents. Health maintenance organization options and other delivery system options, if they are available, cost effective, and capable of servicing a group of this size, shall be provided. Plans with different deductible amounts may be offered. Participation in optional coverages provided by the plan may be determined by collective bargaining agreements. For employees not represented by an exclusive representative, the employer may offer the optional coverages to eligible employees and their dependents provided in the plan.

Subd. 4. [PREMIUMS.] Premiums, including an administration fee, shall be established by the commissioner of employee relations. Each eligible employer shall pay monthly the amounts due for employee benefits including the amounts under subdivision 5 to the commissioner on or before the dates established by the commissioner. Failure to pay may result in cancellation of the benefits. The proportions of premium paid by the employer and employee are subject to collective bargaining.

Subd. 5. [FRINGE BENEFIT FUND.] A school employee fringe benefit fund is established in the state treasury. The deposits consist of the premiums received from employers participating in the plan. All money in the fund is appropriated to the commissioner to pay insurance premiums, approved claims, refunds, administrative costs, and other related service costs. The commissioner shall reserve an amount of money to cover the estimated cost of claims incurred but unpaid. The state board of investment shall invest the money according to section 11A.24. Investment income and losses attributable to the fund shall be credited to the fund.

Subd. 6. [CONTINUATION OF COVERAGE.] (a) A participating employee who is laid off or placed on unrequested leave may elect to

continue the fringe benefit coverage. This coverage is at the expense of the employee unless otherwise provided by a collective bargaining agreement. Coverage continues until one of the following occurs: (1) the employee is reemployed and eligible for health care coverage under a group policy; or (2) the insurance continuation periods required by state and federal laws expire.

(b) A participating employee who retires and is receiving an annuity or is eligible for and has applied for an annuity under chapter 352, 353, 354, or 354A is eligible to continue to participate in the group hospital, medical, and dental coverage at premiums established by the commissioner. This participation is at the retiree's expense, unless otherwise provided by a collective bargaining agreement. An employer shall notify an employee of this option no later than the effective date of retirement. The retired employee must notify the employer within 30 days after the effective date of retirement of intent to exercise this option. A spouse of a deceased retired employee may purchase the benefits provided at premiums established by the commissioner if the employee received an annuity under chapter 352, 353, 354, or 354A and if the spouse was a dependent under the retired employee's coverage under this section at the time of the death of the retired employee. Coverage under this paragraph must be coordinated with relevant insurance benefits provided through the federally sponsored Medicare program.

(c) The benefits may continue in the event of a strike permitted by section 179A.18, if the exclusive representative chooses to have coverage continue and the employee pays the total monthly premiums when due.

(d) A person who desires to participate under paragraphs (a) to (c) shall notify the employer or former employer of intent to participate according to timelines established by the commissioner. The employer shall notify the commissioner, and coverage shall begin as soon as permitted by the commissioner. Persons participating under these paragraphs shall make required premium payments in the time and manner established by the employer or the commissioner.

Subd. 7. [LABOR MANAGEMENT COMMITTEE.] A labor management committee of equal numbers of employees and employers or their representatives shall be appointed by the commissioner of employee relations. The committee shall study issues relating to the insurance plan including, but not limited to, flexible benefits, utilization review, quality assessment, and cost efficiency.

Sec. 2. Minnesota Statutes 1986, section 121.612, subdivision 3, is amended to read:

Subd. 3. [FOUNDATION PROGRAMS.] The foundation shall plan for programs which advance the concept of educational excellence. These may include but are not limited to:

(a) recognition programs and awards for students demonstrating academic excellence;

(b) summer institute programs for students with special talents;

(c) recognition programs for teachers, administrators, and others who contribute to academic excellence;

(d) summer mentorship programs with business and industry for students with special career interests and high academic achievements; and

(e) governor's awards ceremonies to promote academic competition; and

(f) consideration of the establishment of a Minnesota high school academic league.

To the extent possible, the foundation shall make these programs available to students in all parts of the state.

Sec. 3. Minnesota Statutes 1986, section 121.612, subdivision 5, is amended to read:

Subd. 5. [REPORT.] By February 1, 1984, and February 1, 1985, The board of directors of the foundation shall submit an annual report to the education committees of the legislature on the progress of its activities made pursuant to the provisions of this section.

Sec. 4. Minnesota Statutes 1986, section 121.612, is amended by adding a subdivision to read:

Subd. 6. [FOUNDATION PUBLICATIONS.] The foundation may publish brochures or booklets relating to the purposes of the foundation. The foundation may collect reasonable fees for the publications.

Sec. 5. Minnesota Statutes 1986, section 121.612, is amended by adding a subdivision to read:

Subd. 7. [APPROPRIATION.] There is annually appropriated from the general fund to the Minnesota academic excellence foundation any and all amounts received by the foundation pursuant to section 4.

Sec. 6. [121.613] [ACADEMIC LEAGUE TASK FORCE.]

Subdivision 1. [ESTABLISHED.] By September 1, 1987, the Minnesota academic excellence foundation shall establish an academic league task force to develop a plan for promoting academic

excellence through organized challenges requiring both cooperation and competition for public and nonpublic pupils in elementary and secondary schools. The statewide task force shall submit a plan, in consultation with existing programs of academic competition and cooperation, the Minnesota state high school league, and the Minnesota association of secondary school principals, for the establishment of an academic league in Minnesota.

Subd. 2. [COMPOSITION; REPORT.] The foundation shall determine the composition, terms, and compensation of the academic league task force members. The academic league task force shall submit recommendations to the academic excellence foundation which shall make a report to the education committees of the legislature on the task force by January 15, 1989.

Subd. 3. [TASK FORCE RESPONSIBILITIES.] The academic league task force established in this section shall address at least the following issues in submitting its academic league plan to the academic excellence foundation:

- (1) coordination and publicity of existing activities;
- (2) development of new programs for recognition of academic achievement;
- (3) development of interrelationships among various academic programs;
- (4) development of increased use of telecommunications networks;
- (5) development of comprehensive schedules to assist coordination among activities;
- (6) dissemination of information of past program activity and quality; and
- (7) feasibility of using existing education agencies and providers to administer academic league programs.

Subd. 4. [INVOLVEMENT OF VARIOUS GROUPS.] To the extent possible, the academic league task force shall use teachers, administrators, parents, and other participants in developing plans for an academic league.

Sec. 7. Minnesota Statutes 1986, section 121.935, subdivision 6, is amended to read:

Subd. 6. [FEES.] Regional management information centers may charge fees to affiliated districts for the cost of services provided to the district and the district's proportionate share of outstanding

regional debt. In the event a district chooses to use a state approved alternative finance system for processing its detailed transactions or transfers to another region, the district shall be liable for its contracted proportionate share of the outstanding regional debt. The district shall not be liable for any additional outstanding regional debt that occurs after written notice is given to transfer or use an alternative finance system. In no event shall the annual fee of a district participating in a state pilot program of an alternative financial management information system exceed the annual fee chargeable to the district in the absence of the pilot program.

Sec. 8. Minnesota Statutes 1986, section 121.936, subdivision 1, is amended to read:

Subdivision 1. [MANDATORY PARTICIPATION.] (a) Every district shall perform financial accounting and reporting operations on a financial management accounting and reporting system utilizing multidimensional accounts and records defined in accordance with the uniform financial accounting and reporting standards adopted by the state board pursuant to sections 121.90 to 121.92.

(b) Every school district shall be affiliated with one and only one regional management information center. This affiliation shall include at least the following components:

(1) the center shall provide reports to the department of education for the district to the extent required by the data acquisition calendar;

(2) the district shall process every detailed financial transaction using, at the district's option, either the ESV-IS finance subsystem through the center or an alternative system approved by the state board.

Notwithstanding the foregoing, a district may process and submit its financial data to a region or the state in summary form if it operates an approved alternative system or participates in a state approved pilot test of an alternative system and is reporting directly to the state as of January 1, 1987.

(c) The provisions of this subdivision shall not be construed to prohibit a district from purchasing services other than those described in clause (b) from a center other than the center with which it is affiliated pursuant to clause (b).

Districts operating an approved alternative system or participating in a state approved pilot test of an alternative financial system shall purchase finance system services from any region if the region of affiliation does not offer alternative system support services may transfer their affiliation from one regional management information center to another. At least one year prior to July 1 of the year in

which the transfer is to occur, the district shall give written notice to its current region of affiliation of its intent to transfer to another region. The one year notice requirement may be waived if the two regions mutually agree to the transfer.

Sec. 9. Minnesota Statutes 1986, section 126.56, subdivision 3, is amended to read:

Subd. 3. [FINANCIAL NEED.] Need for financial assistance shall be based on family income, family size, and special necessary expenditures of the family. The higher education coordinating board shall determine review the financial need capability of each pupil based on the actual charges made to meet the actual costs of attending the summer program as determined by the institution sponsoring the summer program and shall award scholarships within the limits of the appropriation for this section. If the amount appropriated is insufficient to make a full award to each applicant, the board shall allocate the amount appropriated in the manner it determines. Scholarships shall not be less than \$100 or more than \$1,000.

Sec. 10. Minnesota Statutes 1986, section 126.56, subdivision 6, is amended to read:

Subd. 6. [INFORMATION.] The higher education coordinating board, in cooperation with the academic excellence foundation, shall assemble and distribute information about scholarships and eligible programs. It may seek nonstate funds to perform its duties, as part of its responsibility for program administration.

Sec. 11. [ATTENTION DEFICIT DISORDER.]

The department of education shall study attention deficit disorder among school-age children. The study shall address at least the following: the development of a definition of attention deficit disorder, which includes behaviors that can be detected by a classroom teacher; the prevalence of the disorder among school-age children; the educational needs of children with the disorder; and methods public schools might use in meeting those educational needs. By February 1, 1988, the department shall report the results of the study and its recommendations to the education committees of the legislature.

Using the recommendations of the attention deficit disorder study, the department of education shall develop an implementation program and materials for providing inservice instruction to school district staff. By January 1, 1989, the department of education shall



conduct regional workshops for school district staff on methods for meeting the educational needs of attention deficit disorder children.

Sec. 12. [APPROPRIATIONS; DEPARTMENT OF EDUCATION.]

Subdivision 1. [DEPARTMENT OF EDUCATION.] There is appropriated from the general fund to the department of education the sums indicated in this section for the fiscal years ending June 30 in the years designated.

Subd. 2. [EDUCATIONAL COOPERATIVE SERVICE UNITS.] For educational cooperative service units, there is appropriated:

\$748,000.....1988,

\$748,000.....1989.

The amount appropriated for fiscal year 1988 includes \$112,200 for aid for fiscal year 1987 payable in fiscal year 1988, and \$635,800 for aid for fiscal year 1988 payable in fiscal year 1988.

The amount appropriated for fiscal year 1989 includes \$112,200 for aid for fiscal year 1988 payable in fiscal year 1989, and \$635,800 for aid for fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$748,000 for fiscal year 1988 and \$748,000 for fiscal year 1989.

Subd. 3. [MANAGEMENT INFORMATION CENTERS.] For management information centers according to section 121.935, subdivision 5, there is appropriated:

\$3,583,200.....1988,

\$3,583,200.....1989.

The appropriations are based on aid entitlements of \$3,583,200 for fiscal year 1988 and \$3,583,200 for fiscal year 1989.

Subd. 4. [SUMMER PROGRAM SCHOLARSHIPS.] For scholarship awards for fiscal year 1988 and 1989 summer programs according to section 126.56, there is appropriated:

\$213,700.....1988,

\$213,700.....1989.

The appropriations are based on aid entitlements of \$213,700 for fiscal year 1988 and \$213,700 for fiscal year 1989.

Subd. 5. [TEACHER EXTENDED LEAVES.] To meet the state's obligations under sections 354.094 and 354A.091, there is appropriated:

\$196,900.....1988.

The appropriation is based on aid entitlement of \$196,900 for fiscal year 1988.

Subd. 6. [ACADEMIC EXCELLENCE FOUNDATION.] For the academic excellence foundation according to Minnesota Statutes, section 121.612, there is appropriated:

\$125,000.....1988,

\$150,000.....1989.

Up to \$50,000 of the appropriation for fiscal year 1988 and up to \$75,000 of the appropriation for fiscal year 1989 may be used for expenses related to the task force established under section 5.

Subd. 7. [ATTENTION DEFICIT DISORDER STUDY.] For the purpose of conducting the attention deficit disorder study and the regional in-service workshops, there is appropriated:

\$75,000.....1988.

The money is available until June 30, 1989.

#### Sec. 13. [APPROPRIATIONS; JOBS AND TRAINING.]

There is appropriated from the general fund to the department of jobs and training the sum of \$32,000 for fiscal year 1988 to pay the obligation of independent school district No. 309, Pine Point, for unemployment compensation.

#### Sec. 14. [APPROPRIATION; DEPARTMENT OF EMPLOYEE RELATIONS.]

There is appropriated from the general fund to the commissioner of employee relations to establish the fringe benefit plan in section 1:

\$410,000.....1988,

\$524,500.....1989.

Any unexpended balance from fiscal year 1988 shall not cancel but shall be available until June 30, 1989.

## Sec. 15. [EFFECTIVE DATE.]

Sections 9 and 10 are effective the day after their final enactment.

## ARTICLE 6

## OTHER AIDS AND LEVIES TO SCHOOL DISTRICTS

Section 1. Minnesota Statutes 1986, section 123.705, subdivision 1, is amended to read:

Subdivision 1. [AID AMOUNTS.] The department of education shall pay each school district for the cost of screening services provided pursuant to sections 123.701 to 123.705. The payment shall not exceed ~~\$15.60 per child screened in fiscal year 1985, \$16.15 per child screened in fiscal year 1986 and \$8.15 per child screened in fiscal year 1987 and each year thereafter.~~

## Sec. 2. [123.9375] [OPEN AND STANDING APPROPRIATION.]

There is annually appropriated from the general fund to the department of education the amount necessary for educational aids for nonpublic school pupils.

Sec. 3. Minnesota Statutes 1986, section 124.195, subdivision 9, is amended to read:

Subd. 9. [PAYMENT PERCENTAGE FOR CERTAIN AIDS.] The following aids shall be paid at 100 percent of the entitlement for the current fiscal year: reimbursement for transportation to post-secondary institutions, according to section 123.3514, subdivision 8; reimbursement for transportation to a program of excellence, according to section 126.62, subdivision 6; handicapped adult program aid, according to section 124.271, subdivision 7; arts education aid according to section 124.275; school lunch aid, according to section 124.646; hearing impaired support services aid, according to section 121.201; technology demonstration site grants, according to section 129B.36 ~~and~~; courseware purchase subsidy according to section 129B.38; Indian post-secondary preparation grants according to section 124.481; milk program aid according to section 15; and desegregation grants according to section 29.

Sec. 4. Minnesota Statutes 1986, section 124.245, subdivision 1, is amended to read:

Subdivision 1. [BASIC COMPUTATION.] ~~Each~~ For school year 1987-1988, the state shall pay a school district the difference by which an amount equal to \$130 times the total pupil units in that school year exceeds the amount raised by nine mills times the

adjusted assessed valuation used to compute the levy attributable to the same year. For 1988-1989 and later school years, the state shall pay a school district the difference by which an amount equal to \$145 times the total pupil units in that school year is more than the amount raised by two mills times the adjusted assessed valuation used to compute the levy attributable to the same year. To qualify for aid pursuant to this subdivision in any school year, a district must levy pursuant to section 275.125, subdivision 11a for use in that year.

Sec. 5. Minnesota Statutes 1986, section 124.245, subdivision 3, is amended to read:

Subd. 3. [HAZARDOUS SUBSTANCE COMPUTATION.] For the 1987-1988 school year, the state shall pay a school district the difference by which an amount equal to \$25 times the total pupil units exceeds the amount raised by two mills times the adjusted assessed valuation used to compute the levy attributable to the same year. To qualify for aid pursuant to this subdivision in any school year, a district must levy pursuant to section 275.125, subdivision 11c for use in that year. Aid paid pursuant to this subdivision may be used only for the purposes for which the proceeds of the levy authorized in section 275.125, subdivision 11c may be used.

Sec. 6. Minnesota Statutes 1986, section 124.245, is amended by adding a subdivision to read:

Subd 3a. [HAZARDOUS SUBSTANCE PLAN.] To receive hazardous substance capital expenditure aid for the 1988-1989 school year or thereafter, or to levy under section 275.125, subdivision 11c, a district shall submit to the commissioner of education an application for aid and levy by August 15 in the previous school year. The application shall contain the following:

(a) a plan for the removal or encapsulation of asbestos from school buildings or property, asbestos-related repairs, cleanup and disposal of polychlorinated biphenyls found in school buildings or property, and cleanup, removal, disposal, and repairs related to storing heating or transportation fuels such as alcohol, gasoline, fuel oil, and special fuel, as defined in section 296.01;

(b) the estimated cost of the plan by fiscal year; and

(c) other information required by the commissioner.

The commissioner may approve applications based on criteria disseminated to school districts by July 15 in the previous school year.

Sec. 7. Minnesota Statutes 1986, section 124.245, is amended by adding a subdivision to read:

Subd. 3b. [HAZARDOUS SUBSTANCE REVENUE AND AID.]  
(a) A district's "hazardous substance revenue" equals the approved cost of the hazardous substance plan for the school year to which the levy is attributable, minus the unexpended portion of levies certified by the district in earlier years under section 275.125, subdivision 11c.

(b) A district's "hazardous substance levy limitation" means its levy limitation computed according to section 275.125, subdivision 11c.

(c) A district's "hazardous substance aid" for 1988-1989 and later school years equals:

(i) the difference between its hazardous substance revenue and its hazardous substance levy limitation for the levy for that school year, multiplied by

(ii) the ratio of the amount actually levied to the amount of its hazardous substance by levy limitation.

(d) Aid paid under this subdivision may be used only for the purposes for which the proceeds of the levy authorized in section 275.125, subdivision 11c, may be used.

(e) In the event that the aid available for any year is prorated, a district having its aid prorated may levy an additional amount equal to the amount not paid by the state due to proration.

Sec. 8. Minnesota Statutes 1986, section 124.246, subdivision 2, is amended to read:

Subd. 2. [AID.] An eligible district shall receive \$1.08 in fiscal years ~~1985, 1986, and 1987~~, 1988, and 1989 for each pupil, in average daily membership, enrolled in a public elementary, secondary or area vocational technical or nonpublic elementary or secondary school. Aid for nonpublic school pupils shall be paid to the district upon request by or on behalf of the pupils. No district shall receive less than \$1,080 in fiscal years ~~1985, 1986, and 1987~~, 1988, and 1989.

Sec. 9. Minnesota Statutes 1986, section 124.247, subdivision 3, is amended to read:

Subd. 3. [AID.] A district which establishes a program for gifted and talented students shall receive for the purpose of this program ~~an amount equal to \$19 in the 1984-1985 school year, times the~~

number of gifted and talented students in the district. In the 1985-1986 school year and later school years, a district shall receive the greater of \$40 per gifted and talented student or \$500 per district. No more than five percent of the students enrolled in the district shall be counted as gifted and talented for the purpose of aid computations pursuant to this subdivision. No more than five percent of the money received by a district pursuant to this subdivision may be expended for the purpose of administration of the program for gifted and talented students.

Sec. 10. Minnesota Statutes 1986, section 124.247, is amended by adding a subdivision to read:

Subd. 3a. [SPECIAL ACADEMIC PROGRAMS.] (a) In addition to the aid authorized in subdivision 3, a district is eligible for aid under clause (b) if it establishes an international baccalaureate program or another program that provides for enhanced academic opportunities for secondary students for which the students may obtain post-secondary credit, and has a plan approved by the commissioner on an annual basis. The plans must include at least the following:

(1) description of the instructional program and materials;

(2) costs of the program and examinations;

(3) number of students participating in the program;

(4) number of students receiving satisfactory scores on the examinations;

(5) in-service education costs; and

(6) cooperative efforts, if feasible, with post-secondary institutions.

(b) A district with an approved plan under clause (a) shall receive the lesser of \$3 times the average daily membership of the district or the actual cost of the program. The actual cost of the program may include:

(1) reimbursement to students for the cost of examinations if the student receives a satisfactory grade;

(2) in-service education for staff;

(3) course materials; and

(4) not more than five percent of the total for the costs of administration of the program or coordination with post-secondary education.

(c) A district that offers advanced placement examinations is eligible for aid in an amount not to exceed the cost of reimbursing students for the cost of examinations if the student receives a satisfactory grade.

Sec. 11. Minnesota Statutes 1986, section 124.252, subdivision 3, is amended to read:

Subd. 3. [DISTRICT AID.] An eligible district shall receive ~~52 cents in fiscal year 1986 and 54 cents in fiscal year 1987 and each year thereafter~~ for each pupil, in average daily membership enrolled in a public elementary, secondary, or area vocational technical institute or nonpublic elementary or secondary school. Aid for nonpublic school pupils shall be paid to the district upon request by or on behalf of the pupils. No school district shall receive less than ~~\$1,000 in fiscal year 1986 and \$1,040 in fiscal year 1987 and each year thereafter.~~

Sec. 12. Minnesota Statutes 1986, section 124.272, subdivision 1, is amended to read:

Subdivision 1. [LIMITATION.] This section shall not apply to special school district No. 1, independent school districts Nos. 11, and 625, ~~and 709,~~ or to school districts which are members of intermediate school districts Nos. 287, 916, and 917.

Sec. 13. Minnesota Statutes 1986, section 124.275, subdivision 2, is amended to read:

Subd. 2. [GUIDELINES.] Each district may determine how to use its arts education aid for arts education programs. A district is encouraged to use the following guidelines in the order listed:

(1) develop a long-range, comprehensive arts education plan, develop an arts curriculum, and implement arts programs for grades kindergarten through six;

(2) provide professional development for teachers to increase their arts skill level and to enable them to provide improved opportunities for pupils to learn in, about, and through the arts; and

(3) provide arts enrichment activities for pupils in grades kindergarten through six;

(4) increase the number of elementary arts teachers, with a goal of at least one full-time art teacher and one full-time music teacher for 400 pupils in grades kindergarten to six.

Sec. 14. Minnesota Statutes 1986, section 124.646, subdivision 1, is amended to read:

Subdivision 1. [SCHOOL LUNCH AID COMPUTATION.] (a) For the ~~1985-1986~~ 1987-1988 school year, school districts participating in the national school lunch program shall be paid by the state in the amount of 7.5 cents for each full paid student lunch served to students in the district.

(b) For the ~~1986-1987~~ 1988-1989 school year, school districts participating in the national school lunch program shall be paid by the state in the amount of 7.5 cents for each full paid student lunch served to students in the district.

Sec. 15. [124.6461] [MILK PROGRAM.]

Subdivision 1. [PURPOSE.] The purpose of this section is to encourage school districts to provide milk to pupils in the first three grades of elementary school.

Subd. 2. [REIMBURSEMENT LEVEL.] In the 1987-1988 and 1988-1989 school years, the department of education shall reimburse school districts and nonpublic schools five cents for each one-half pint of milk per day provided to each first, second, and third grade pupil attending a public or nonpublic school. Schools which apply for reimbursement shall make milk available to all first, second, and third grade pupils enrolled in the school.

Subd. 3. [REIMBURSEMENT PROCEDURES.] The commissioner of education shall establish procedures and application forms for reimbursement.

Sec. 16. [126.82] [COMPREHENSIVE HEALTH AND WELL-NESS PLANNING.]

Subdivision 1. [DEFINITION.] "Comprehensive health and wellness" is defined as:

(1) promotion of a wellness lifestyle, including curriculum on physical fitness, nutritional awareness, stress awareness and management, and accident prevention and cardiopulmonary resuscitation;

(2) promotion of mental health and positive self-esteem;

(3) family life education;

(4) sexual health and responsibility;

(5) chemical use awareness and chemical abuse prevention;

(6) tobacco use prevention;



(7) development of health-related attitudes early in life to reduce health risk behaviors;

(8) facilitation of wellness and healthy attitudes in school personnel; and

(9) responses to identifiable new and existing health problems such as teenage pregnancy, suicide, child abuse, communicable diseases including acquired immune deficiency syndrome, and chronic diseases.

Subd. 2. [DEPARTMENT ASSISTANCE.] By June 30, 1988, the department of education shall develop and disseminate planning materials and guidelines to assist school districts in developing comprehensive health and wellness programs. The department shall provide technical assistance requested by districts developing comprehensive health and wellness programs.

Subd. 3. [DISTRICT CURRICULUM.] A school district or group of school districts shall develop a comprehensive health and wellness curriculum. The curriculum shall include a kindergarten through 12th grade scope and sequence that shall be coordinated with the total school curriculum. A district may coordinate the development of the health and wellness curriculum with the curriculum review of its health education program.

Subd. 4. [GRANTS.] The commissioner shall establish criteria and application procedures and may make grants to districts to develop comprehensive health and wellness programs. A grant shall not exceed \$2,000 per district. Preference for grants shall be given to districts that coordinate the development of a comprehensive health and wellness program with curriculum review of their health education program.

Sec. 17. Minnesota Statutes 1986, section 129B.17, is amended to read:

129B.17 [COMPREHENSIVE ARTS PLANNING PROGRAM.]

The department of education shall prescribe the form and manner of application by school districts to be designated as a new site to participate in the comprehensive arts planning program. Up to 30 new sites may be selected every two years to participate in the program. The department of education shall designate sites, in consultation with the Minnesota alliance for arts in education and the Minnesota state arts board, designate new sites and provide technical assistance to existing sites to help them achieve their long-range arts education plans.

Sec. 18. Minnesota Statutes 1986, section 129B.20, subdivision 1, is amended to read:

Subdivision 1. [FUNDING.] Each new site shall receive \$1,250 each year for two years to enable the site to participate in the program. Before receiving money for the second year, a long-range plan for arts education must be submitted to the department.

Sec. 19. Minnesota Statutes 1986, section 129B.21, is amended to read:

129B.21 [DEPARTMENT RESPONSIBILITY.]

The department of education, in cooperation with the Minnesota alliance for arts in education and the Minnesota state arts board, shall provide materials, training, and assistance to the arts education committees in the school districts that are currently participating in the grant program and that have completed the initial two-year planning period. The department may contract with the Minnesota alliance for arts in education for its involvement in providing services, including staff assistance, to the program.

Sec. 20. Minnesota Statutes 1986, section 275.125, subdivision 6e, is amended to read:

Subd. 6e. [DESEGREGATION LEVY.] Each year any district which is implementing a plan for desegregation mandated by the state board of education or under court order may levy an amount not to exceed ~~one mill~~ two mills times the adjusted assessed valuation of the district. Notwithstanding section 121.904, the entire amount of this levy shall be recognized as revenue for the fiscal year in which the levy is certified. This levy shall not be considered in computing the aid reduction under section 124.155. A district which levies pursuant to this subdivision may not place the proceeds of the 1983 payable 1984 levy authorized by subdivision 9a, in the general fund. By September 15 of each year, a district that levies under this subdivision must report to the state board of education on the costs of implementing its desegregation plan.

Sec. 21. Minnesota Statutes 1986, section 275.125, is amended by adding a subdivision to read:

Subd. 9d. [1986 OPERATING DEBT LEVY.] (1) Each year, a district may levy to eliminate a deficit in the net unappropriated balance in the general fund of the district, determined as of June 30, 1986, and certified and adjusted by the commissioner. Each year this levy may be an amount not to exceed the amount raised by a levy of 1.5 mills times the adjusted assessed valuation of the district for the preceding year. However, the total amount of this levy for all years it is made shall not exceed the amount of the deficit in the net unappropriated balance in the general fund of the district as of June

30, 1986. When the cumulative levies made pursuant to this subdivision equal the total amount permitted by this subdivision, the levy shall be discontinued.

(2) A district, if eligible, may levy under this subdivision, subdivision 9b, or 9c, but may levy under only one of these subdivisions.

(3) The proceeds of this levy shall be used only for cash flow requirements and shall not be used to supplement district revenues or income for the purposes of increasing the district's expenditures or budgets.

(4) Any district that levies pursuant to this subdivision shall certify the maximum levy allowable under section 124A.03, subdivision 1 or 3, in that same year.

Sec. 22. Minnesota Statutes 1986, section 275.125, subdivision 11a, is amended to read:

Subd. 11a. [CAPITAL EXPENDITURE LEVY.] (a) Each year a school district may levy an amount not to exceed the amount equal to ~~\$130~~ \$145 times the total pupil units in the year to which the levy is attributable. No levy under this clause shall exceed ~~nine~~ two mills times the adjusted assessed valuation of the taxable property in the district for the preceding year.

(b) The proceeds of the levy shall be placed in the district's capital expenditure fund and may be used only:

(1) to acquire land, to equip and reequip buildings and permanent attached fixtures, to rent or lease buildings for school purposes;

(2) to purchase textbooks, to purchase and lease computer systems hardware, software, and related materials to support software;

(3) to purchase or lease photocopy machines and telecommunications equipment;

(4) for capital improvement and repair of school sites, buildings and permanent attached fixtures;

(5) for energy audits on district-owned buildings and for funding those energy conservation and renewable energy measures that the energy audits indicate will reduce the use of nonrenewable sources of energy to the extent that the projected energy cost savings will amortize the cost of the conservation measures within a period of ten years or less;

(6) for the payment of any special assessments levied against the property of the district authorized under section 435.19 or any other

law or charter provision authorizing assessments against publicly owned property; provided that a district may not levy amounts to pay assessments for service charges, such as those described in section 429.101, whether levied under that section or any other law or home rule provision;

(7) for capital expenditures to reduce or eliminate barriers to or increase access to school facilities by handicapped individuals;

(8) to make capital improvements to schoolhouses leased according to section 123.36, subdivision 10;

(9) to pay fees for capital expenditures assessed and certified to each participating school district by the educational cooperative service unit board of directors;

(10) to pay principal and interest on loans from the state authorized by sections 116J.37 and 298.292 to 298.298;

(11) for capital expenditures to bring district facilities into compliance with the uniform fire code adopted according to chapter 299F;

(12) for expenditures for the removal of asbestos from school buildings or property, asbestos encapsulation, or asbestos-related repairs;

(13) for expenditures for the cleanup and disposal of polychlorinated biphenyls found in school buildings or property; and

(14) for the cleanup, removal, disposal, and repairs related to storing transportation fuels such as alcohol, gasoline, fuel oil, and special fuel, as defined in section 296.01.

(c) Subject to the commissioner's approval, the proceeds may also be used to acquire or construct buildings. The state board shall promulgate rules establishing the criteria to be used by the commissioner in approving and disapproving district applications requesting the use of capital expenditure tax proceeds for the acquisition or construction of buildings. The approval criteria for purposes of building acquisition and construction shall include: the appropriateness of the proposal for the district's long-term needs; the availability of adequate existing facilities; and the economic feasibility of bonding because of the proposed building's size or cost.

(d) Notwithstanding anything in paragraphs (b) and (c) to the contrary, for any year for which the sum of a district's levy under this subdivision and its aid for the same year under section 124.245, subdivision 1, exceeds ~~\$125~~ \$140 times the total pupil units in the same year, the amount by which the sum exceeds ~~\$125~~ \$140 times

the total pupil units may be expended only for equipment for secondary vocational education programs or senior secondary industrial arts programs.

(e) The proceeds of the levy shall not be used for custodial or other maintenance services.

Sec. 23. Minnesota Statutes 1986, section 275.125, subdivision 11c, is amended to read:

Subd. 11c. [HAZARDOUS SUBSTANCE CAPITAL EXPENDITURE LEVY.] ~~In addition to the levy authorized in subdivisions 11a and 11b, each year a school district may levy an amount not to exceed the amount equal to \$25 times the total pupil units in the year to which the levy is attributable. No levy under this subdivision shall exceed two mills times the adjusted assessed valuation of the property in the district for the preceding year. Each year, a district with a hazardous substance plan approved by the commissioner of education under section 6 may levy an amount equal to the following product:~~

(a) the district's hazardous substance revenue as defined in section 7 for the year to which the levy is attributable, times

(b) the lesser of one, or the ratio of:

(i) the quotient derived by dividing the adjusted assessed valuation of the district for the year preceding the year the levy is certified by the total pupil units in the district for the school year to which the levy is attributable, to

(ii) 50 percent of the equalizing factor for the school year to which the levy is attributable.

The proceeds of the tax shall be placed in the district's capital expenditure fund and may be used only for expenditures necessary for the removal or encapsulation of asbestos from school buildings or property, asbestos related repairs, cleanup and disposal of polychlorinated biphenyls found in school buildings or property, or the cleanup, removal, disposal, and repairs related to storing heating or transportation fuels such as alcohol, gasoline, fuel oil, and special fuel, as defined in section 296.01.

Sec. 24. Laws 1984, chapter 463, article 6, section 15, subdivision 1, is amended to read:

Subdivision 1. [AUTHORIZATION.] In 1985 and each year thereafter, the newly created district formed by the consolidation of Independent School District No. 694, Buhl, and Independent School District No. 703, Mountain Iron, may make an additional levy to

eliminate a deficit in the net unappropriated operating funds of the newly created district, determined as of June 30, 1985, and certified and adjusted by the commissioner. This levy each year may be an amount not to exceed ~~1.5~~ 4.0 mills times the adjusted assessed valuation of the newly created district for the preceding year as determined by the equalization aid review committee. When the cumulative amount of the levies made pursuant to this subdivision equals the total amount of the certified deficit of the newly created district, the levy shall be discontinued.

Sec. 25. Laws 1986, First Special Session chapter 1, article 5, section 9, is amended to read:

[124.196] [TEMPORARY CHANGE IN PAYMENT OF AIDS AND CREDITS TO SCHOOL DISTRICTS.]

If the commissioner of finance determines that modifications in the payment schedule are required to avoid state short-term borrowing, the commissioner of education shall modify payments to school districts according to this section. The modifications shall begin no sooner than September 1, ~~1986~~ of each fiscal year, and shall remain in effect until no later than May ~~30, 1987~~ of that same fiscal year. In calculating the payment to a school district pursuant to Minnesota Statutes, section 124.195, subdivision 3, the commissioner may subtract the sum specified in that subdivision, plus an additional amount no greater than the following:

(1) the net cash balance in the district's four operating funds on June 30, ~~1986~~ of the preceding fiscal year; minus

(2) the product of \$150 times the number of actual pupil units in the ~~1985-1986 school~~ preceding fiscal year; minus

(3) the amount of payments made by the county treasurer during the preceding fiscal year 1986, pursuant to Minnesota Statutes, section 276.11, which is considered revenue for the ~~1986-1987~~ current school year. However, no additional amount shall be subtracted if the total of the net unappropriated fund balances in the district's four operating funds on June 30, ~~1986~~ of the preceding fiscal year, is less than the product of \$350 times the number of actual pupil units in the ~~1985-1986 school~~ preceding fiscal year. The net cash balance shall include all cash and investments, less certificates of indebtedness outstanding, and orders not paid for want of funds.

A district may appeal the payment schedule established by this section according to the procedures established in section 7 124.195, subdivision 3a.

Sec. 26. [DESEGREGATION TRANSPORTATION LEVY.]

In addition to the levy authorized in Minnesota Statutes, section 275.125, subdivision 6e, in 1987 any district that is implementing a plan for desegregation mandated by the state board of education may levy for transportation for desegregation an amount equal to the lesser of one mill times the adjusted assessed valuation of the district or its unreimbursed costs for desegregation transportation during the 1986-1987 and 1987-1988 school years. Notwithstanding Minnesota Statutes, section 121.904, the amount of this levy may be recognized as revenue for the fiscal year in which the levy is certified. This levy shall not be considered in computing aid adjustments according to Minnesota Statutes, section 124.155.

**Sec. 27. [SAINT PAUL DESEGREGATION LEVY.]**

In addition to the levies authorized in Minnesota Statutes, section 275.125, subdivision 6e, and in section 26, in 1987 independent school district No. 625, Saint Paul, may levy two mills times the adjusted assessed valuation of the district if it does not receive a federal grant authorized under Title VII of the Education for Economic Security Act, P.L. 98-377. Notwithstanding Minnesota Statutes, section 121.904, the amount of this levy may be recognized as revenue for the fiscal year in which the levy is certified. This levy shall not be considered in computing aid adjustments according to Minnesota Statutes, section 124.155.

**Sec. 28. [STATE BOARD; DESEGREGATION REPORT.]**

By December 15, 1987, the state board of education shall make recommendations regarding the funding of desegregation costs to the governor and the education committees of the legislature.

**Sec. 29. [APPROPRIATIONS.]**

Subdivision 1. [DEPARTMENT OF EDUCATION.] There is appropriated from the general fund to the department of education the sums indicated in this section for the fiscal years ending June 30 in the years designated.

Subd. 2. [MAXIMUM EFFORT SCHOOL LOAN FUND.] For the maximum effort school loan fund, there is appropriated:

\$1,615,200.....1988,

\$2,025,100.....1989.

Any unexpended balance of this appropriation for fiscal year 1988 shall not cancel but shall be available for the second year of the biennium.

These appropriations shall be placed in the loan repayment account of the maximum effort school loan fund for the payment of the principal and interest on school loan bonds, as provided in Minnesota Statutes, section 124.46, to the extent that money in the fund is not sufficient to pay when due the full amount of principal and interest due on school loan bonds. The purpose of these appropriations is to ensure that sufficient money is available in the fund to prevent a statewide property tax levy as would otherwise be required pursuant to Minnesota Statutes, section 124.46, subdivision 3. Notwithstanding the provisions of Minnesota Statutes, section 124.39, subdivision 5, any amount of the appropriation made in this section which is not needed to pay when due the principal and interest due on school loan bonds shall not be transferred to the debt service loan account of the maximum effort school loan fund but instead shall cancel and revert to the general fund.

Subd. 3. [PROGRAMS OF EXCELLENCE.] For programs of excellence according to Minnesota Statutes, sections 126.60 to 126.64, there is appropriated:

\$22,500.....1988,

\$22,500.....1989.

Subd. 4. [GIFTED AND TALENTED STUDENTS.] For programs for the gifted and talented according to section 124.247, there is appropriated:

\$1,372,400.....1988,

\$1,374,300.....1989.

The amount appropriated for fiscal year 1988 includes \$205,600 for aid for fiscal year 1987 payable in fiscal year 1988, and \$1,166,800 for aid for fiscal year 1988 payable in fiscal year 1988.

The amount appropriated for fiscal year 1989 includes \$205,900 for aid for fiscal year 1988 payable in fiscal year 1989, and \$1,168,400 for aid for fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$1,372,700 for fiscal year 1988 and \$1,374,500 for fiscal year 1989.

Subd. 5. [SPECIAL ACADEMIC PROGRAM AID.] For aid for international baccalaureate and advanced placement programs under section 10, there is appropriated:

\$212,500.....1988,

\$505,000.....1989.



The appropriation for aid in fiscal year 1988 includes \$212,500 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriation for aid in fiscal year 1989 includes \$37,500 for aid for fiscal year 1988 payable in fiscal year 1989 and \$467,500 for aid for fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$250,000 for fiscal year 1988 and \$550,000 for fiscal year 1989.

Subd. 6. [HAZARDOUS SUBSTANCE CAPITAL EXPENDITURE AID.] For hazardous substance capital expenditure aid pursuant to Minnesota Statutes, section 124.245, there is appropriated:

\$50,500.....1988,

\$58,700.....1989.

The appropriation for fiscal year 1988 includes \$6,700 for aid for fiscal year 1987 payable in fiscal year 1988, and \$43,800 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriation for fiscal year 1989 includes \$7,700 for aid for fiscal year 1988 payable in fiscal year 1989 and \$51,500 for aid for fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$51,500 for fiscal year 1988 and \$60,000 for fiscal year 1989.

Any unexpended balance remaining from the appropriation in this subdivision for either year may be expended for capital expenditure aid pursuant to Minnesota Statutes, section 124.245, subdivision 1 or 2.

Subd. 7. [CHEMICAL DEPENDENCY AID.] For aid for chemical dependency programs under section 124.246, there is appropriated:

\$1,023,700.....1988,

\$1,025,300.....1989.

The appropriation for fiscal year 1988 includes \$153,000 for aid in fiscal year 1987 payable in fiscal year 1988 and \$870,700 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriation for fiscal year 1989 includes \$153,600 for aid in fiscal year 1988 payable in fiscal year 1989 and \$871,700 for aid in fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$1,024,300 for fiscal year 1989 and \$1,025,400 for fiscal year 1989.

Subd. 8. [MILK PROGRAMS.] For milk programs under section 15, there is appropriated:

\$1,000,000.....1988,

\$1,000,000.....1989.

Any unexpended balance at the end of fiscal year 1988 shall not cancel but shall be available for fiscal year 1989.

Subd. 9. [HEALTH AND WELLNESS PLANNING.] For grants to districts to develop health and wellness programs under section 16, there is appropriated:

\$100,000.....1988.

Up to \$30,000 may be used by the department of education to provide technical assistance and for administrative costs. The appropriation is available until the end of the biennium.

Subd. 10. [COMPREHENSIVE ARTS PLANNING PROGRAMS.] For comprehensive arts planning programs under sections 129B.17 to 129B.21, there is appropriated:

\$90,000.....1988,

\$90,000.....1989.

The unencumbered balance remaining from fiscal year 1988 shall not cancel but shall be available for fiscal year 1989.

Subd. 11. [ARTS EDUCATION AID.] For arts education aid under section 124.275, there is appropriated:

\$1,048,700.....1988,

\$1,071,200.....1989.

The appropriations are based on aid entitlements of \$1,048,700 for fiscal year 1988 and \$1,071,200 for fiscal year 1989.

Subd. 12. [NONPUBLIC AIDS.] For programs for nonpublic educational aid according to sections 123.931 to 123.947, there is appropriated:

\$8,376,300.....1988,

\$9,050,600.....1989.

The appropriation for 1988 includes \$1,087,100 for aid for fiscal year 1987 payable in fiscal year 1988 and \$7,289,200 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriation for 1989 includes \$1,286,300 for aid for fiscal year 1988 payable in fiscal year 1989 and \$7,764,300 for aid for fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$8,575,500 for fiscal year 1988 and \$9,134,400 for fiscal year 1989.

Subd. 13. [HEALTH AND DEVELOPMENTAL SCREENING PROGRAMS.] For health and developmental screening programs according to sections 123.701 to 123.705, there is appropriated:

\$436,400.....1988,

\$429,300.....1989.

The amount appropriated for fiscal year 1988 includes \$65,800 for aid for fiscal year 1987 payable in fiscal year 1988 and \$370,600 for aid for fiscal year 1988 payable in fiscal year 1988.

The amount appropriated for fiscal year 1989 includes \$65,300 for aid for fiscal year 1988 payable in fiscal year 1989 and \$364,000 for aid for fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$436,000 for fiscal year 1988 and \$428,200 for fiscal year 1989.

Subd. 14. [SCHOOL LUNCH AND FOOD STORAGE AID.] For school lunch aid pursuant to Minnesota Statutes, section 124.646, and for food storage and transportation costs for USDA donated commodities there is appropriated:

\$4,625,000.....1988,

\$4,625,000.....1989.

Any unexpended balance remaining from the appropriations in this subdivision shall be prorated among participating schools based on the number of fully paid lunches served during that school year in order to meet the state revenue matching requirement of the USDA National School Lunch Program.

If the appropriation amount attributable to either year is insufficient, the rate of payment for each fully paid student lunch shall be reduced and the aid for that year shall be prorated among partici-

pating schools so as not to exceed the total authorized appropriation for that year.

Subd. 15. [ABATEMENT AID.] For abatement aid according to section 124.214, subdivision 2, there is appropriated:

\$6,592,800.....1988,

\$6,592,800.....1989.

The appropriations are based on aid entitlements of \$6,592,800 for fiscal year 1988 and \$6,592,800 for fiscal year 1989.

Subd. 16. [CAPITAL EXPENDITURE AID.] For capital expenditure aid pursuant to Minnesota Statutes, section 124.245, subdivision 1 or 2, there is appropriated:

\$473,600.....1988,

\$53,233,500.....1989.

The appropriation for fiscal year 1988 includes \$45,200 for aid for fiscal year 1987 payable in fiscal year 1988 and \$428,400 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriation for fiscal year 1989 includes \$75,500 for aid for fiscal year 1988 payable in fiscal year 1989 and \$53,158,000 for aid for fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$503,900 for fiscal year 1988 and \$62,538,800 for fiscal year 1989.

Subd. 17. [INTERDISTRICT COOPERATION AID.] For aid for interdistrict cooperation programs according to Minnesota Statutes, section 124.272, there is appropriated:

\$2,306,000.....1988,

\$2,634,200.....1989.

The appropriation for fiscal year 1988 includes \$265,900 for aid for fiscal year 1987 payable in fiscal year 1988 and \$2,040,100 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriation for fiscal year 1989 includes \$360,000 for aid for fiscal year 1988 payable in fiscal year 1989 and \$2,274,200 for aid for fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$2,400,100 for fiscal year 1988 and \$2,675,500 for fiscal year 1989.

Subd. 18. [DESEGREGATION GRANTS.] For grants to districts implementing desegregation plans mandated by the state board:

\$4,000,000 .... 1988.

Of this amount, \$1,950,000 shall be allocated to independent school district No. 625, Saint Paul; \$1,350,000 to special school district No. 1, Minneapolis; and \$700,000 to independent school district No. 709, Duluth.

Subd. 19. [PRORATION.] Except as provided in Minnesota Statutes, section 124.14, subdivision 7, none of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated. If the appropriation amount attributable to either year for the purpose indicated plus the amount of any transfers made according to Minnesota Statutes, section 124.14, subdivision 7, is insufficient, the aid for that year shall be prorated among all qualifying districts and the state shall not be obligated for any additional amount for these purposes.

Sec. 30. [APPROPRIATION; TOBACCO USE PREVENTION.]

There is appropriated from the public health fund to the department of education the sums indicated for tobacco use prevention programs according to section 124.252:

\$633,000.....1988,

\$659,600.....1989.

Sec. 31. [REPEALER.]

Minnesota Statutes 1986, section 123.937, is repealed.

Sec. 32. [EFFECTIVE DATE.]

Section 2 is effective for educational aids for nonpublic pupils attributable to the 1987-1988 school year and after.

Sec. 33. [LOCAL APPROVAL.]

Under Minnesota Statutes, section 645.023, subdivision 1, clause (a), section 24 is effective without local approval unless the voters of independent school district No. 712, Mountain Iron-Buhl, request a referendum on approval of section 24.

The voters may request a referendum by filing a petition with the school board of independent school district No. 712. The petition must state the text of section 24 and indicate that those who sign the petition are residents of independent school district No. 712 and are at least 18 years of age. The petition must be signed by a number of persons equal to at least ten percent of the number of persons who cast votes for school board members at the last regular election in school district No. 712.

## ARTICLE 7

### MISCELLANEOUS

Section 1. Minnesota Statutes 1986, section 118.12, is amended to read:

#### 118.12 [INVESTMENT OF TOWN AND SCHOOL DISTRICT FUNDS.]

When the town board of any town ~~or the school board of any school district~~ in this state, by a unanimous resolution, deem it advisable, such town board ~~or school board~~ may invest such amount of funds in such town ~~or school~~ treasury as will not, in the opinion of such board, be needed by such town ~~or school district~~ during the fiscal year, in any of the bonds of any county, city, town, school district, drainage or other district created pursuant to law for public purposes in Minnesota, Iowa, Wisconsin, and North and South Dakota, or in bonds of the United States of America, or in the bonds of any city, county, town, school district, drainage or other district created pursuant to law for public purposes in the United States, containing at least 3,500 inhabitants, provided that the total bonded indebtedness of any such municipality or district shall not exceed ten percent of its assessed valuation.

Sec. 2. Minnesota Statutes 1986, section 118.13, is amended to read:

#### 118.13 [DEPOSIT OF SECURITIES.]

Any town board ~~or school district board~~ investing such surplus funds in such authorized securities as provided in section 118.12 shall deposit such securities for safekeeping with the county treasurer of the county wherein such town ~~or school district~~ is located or with any bank maintaining a safekeeping department. Such county treasurer or bank shall give a receipt for each and all of such securities to the town board ~~or school district board~~, as the case may be, and such county treasurer or bank shall keep such securities for safekeeping until such time as such town board ~~or school district board~~ shall adopt a resolution requesting the county treasurer or

bank to turn such securities or any of them over to the treasurer of such town ~~or school district~~.

Sec. 3. Minnesota Statutes 1986, section 118.14, is amended to read:

**118.14 [EXCLUSION OF INVESTED FUNDS FROM BOND COVERAGE.]**

The funds invested in such securities and deposited by the town board ~~or school board~~, as provided in section 118.13, shall not be included within the amount of money for which the town treasurer ~~or school treasurer~~ is required by law to give a bond to the town ~~or school district~~.

Sec. 4. Minnesota Statutes 1986, section 120.0752, is amended by adding a subdivision to read:

Subd. 3. [11TH AND 12TH GRADE STUDENTS.] Notwithstanding subdivision 2, an eleventh or twelfth grade pupil who has been enrolled in a district for at least three consecutive years and whose parent or guardian moves to another district, may continue to enroll in the nonresident district upon the approval of the school board of the nonresident district. The approval of the school board of the pupil's resident district is not required. The pupil shall be considered a resident of the district in which that student is enrolled.

Sec. 5. Minnesota Statutes 1986, section 122.541, subdivision 2, is amended to read:

Subd. 2. A district entering into an agreement permitted in subdivision 1 shall:

(1) Continue to count its resident pupils who are educated in a cooperating district as resident pupils in the calculation of pupil units for all purposes, including the calculation of state aids and levy limitations. Notwithstanding section 124.18, subdivision 2, an agreement permitted by subdivision 1 shall provide for the tuition payments the cooperating districts determine are necessary and equitable to compensate each district for the instruction of nonresident pupils; and

(2) Continue to provide transportation and collect transportation aid for its resident pupils pursuant to sections 123.39, ~~124.222 and 124.223, and 124.225~~. This clause shall not be construed to prohibit a district from providing some or all transportation to its resident pupils by contracting with a district which has entered the agreement. For purposes of aid calculations pursuant to section ~~124.222~~ 124.225, the commissioner may adjust the base cost per eligible pupil transported to reflect changes in costs resulting from an

agreement which provides for a district to discontinue at least one grade.

Sec. 6. [123.3515] [VOLUNTARY K-12 PILOT CHOICE PROGRAM.]

Subdivision 1. [ESTABLISHMENT.] A voluntary K-12 pilot choice program in which any district may participate is established. A parent or guardian of a pupil may apply under this section to enroll the pupil in a participating district in which the pupil is not a resident. The pupil shall be considered a resident pupil for participating in the curricular offerings of that district. A pupil may participate in extracurricular or cocurricular activities as determined by the authority having jurisdiction over the activity.

Subd. 2. [APPROVAL.] The pupil's parent or guardian must receive the approval of the school board of the nonresident district except as provided in subdivision 5. A school district is not required to accept students under this section. The application and approval must be on a form provided by the department of education. The form must contain relevant demographic data and must allow the parent, guardian, or pupil to indicate a preference for which school or program to attend within the district.

Subd. 2a. [DISTRICT PARTICIPATION.] A district that wishes to provide pupils and parents increased opportunities by allowing resident pupils to enroll in a school in another district or by allowing nonresident pupils to enroll in a school in the district under this section shall, by formal board resolution, agree to all procedures of this section and inform the commissioner of its agreement by September 1, one full year before the beginning of the program, except for the 1987-1988 school year when districts shall inform the commissioner of its agreement by July 1, 1987.

A district shall notify the commissioner each year by September 1 as to whether or not it will participate in the program in the next year.

Subd. 3. [EQUITABLE ACCESS.] A district which accepts students under this section may deny an application for enrollment only because of lack of space in the district or within a program in the district or because to accept the application puts the district out of compliance with a desegregation plan that complies with state board rules.

A district that chooses to accept nonresident pupils under this section must accept the pupils based on the same criteria as are applied to resident pupils except that a district may restrict the schools and programs that are available to nonresident pupils. However, once accepted to a school or program, the nonresident pupil



must be afforded equal access to the curricular offerings of that school or program.

If a denial is exercised because of lack of space in the district or within a program within the district, all timely applications must be equitably considered. A denial must be rationally related to equitable entrance criteria established by the school board or may be by lot. A denial required because of a desegregation plan must comply with subdivision 5.

Subd. 4. [PROCEDURE.] Except as provided in subdivision 5, a parent or guardian who wants to enroll a pupil in a nonresident district shall apply to the nonresident district by December 1 each year for the next school year except for 1987-1988 when parents or guardians shall apply by August 1, 1987, for the 1987-1988 school year. The application must be made on a form indicated in subdivision 2. The superintendent of the nonresident school district shall forward a copy of the application to the pupil's resident school district within ten days. The superintendent of the nonresident district shall notify the parent or guardian and the superintendent of the resident district by the following February 1 of the decision on the application on the form provided in subdivision 2 except for 1987-1988 when parents or guardians shall be notified by August 10, 1987. The parents or guardians of the pupil shall notify the nonresident district within ten days whether or not they intend to accept. A district may accept a nonresident pupil after March 1 under section 120.0752. If a pupil is dismissed, under sections 127.26 to 127.39, from the school of choice, the pupil must not reenroll in the district of residence until the matter is resolved.

Subd. 5. [RACIAL BALANCE.] A parent or guardian of a pupil wishing to transfer under this section into or out of a district having a desegregation plan shall apply, on the form described in subdivision 2, to the district having the desegregation plan by November 1 of each year for the next school year except for 1987-1988 when parents or guardians shall apply by August 1, 1987, for the 1987-1988 school year. If the requested transfers under this subdivision, in and out of a district having a desegregation plan will mean that the district is not complying with state board rules on desegregation, the district shall set the number of majority and minority group students who may transfer in or out under this subdivision so that the district or any school within the district will not be out of compliance with the state board rules because of this subdivision. The selection of individual pupils to transfer in or out must be made by the district based on equitable criteria developed by the school board, or may be made by lot. In either case, the notice of selection or denial must be sent out to the applicants by November 20 on the form provided in subdivision 2 except for 1987-1988 when notice shall be sent by August 10, 1987. If selected, the parent or guardian may proceed under subdivision 2.

Subd. 6. [CREDITS; GRADUATION.] A pupil, qualifying to graduate, who has attended school in a nonresident district shall graduate from the district last attended before graduation. A district shall count credit granted by another school district toward a pupil's graduation requirements.

Subd. 7. [INFORMATION.] A district that chooses to accept nonresident pupils is encouraged to make information about the district available to parents, guardians, and children.

The available information may include information about district offerings and student achievement. Other information may be made available that may help the parents, guardians, and children make an informed decision about enrolling in the district. The department shall provide technical assistance to school districts and to parents to aid in assuring that informed choices will be made.

Subd. 8. [AID.] Payment of foundation aid for pupils attending schools in a nonresident district under this section must be made according to section 13.

Sec. 7. Minnesota Statutes 1986, section 123.36, subdivision 13, is amended to read:

Subd. 13. [PROCEEDS OF SALE OR EXCHANGE.] Proceeds of the sale or exchange of school buildings or real property of the school district shall be used as provided in this subdivision.

(1) In districts with outstanding bonds, the proceeds of the sale or exchange shall first be deposited 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 which is ascribable to the payment of expenses necessary and incidental to the construction or purchase of the particular building or property which is sold.

(2) After satisfying the requirements of clause (1), a district with outstanding bonds may deposit proceeds of the sale or exchange in its capital expenditure fund if the amount deposited is used for the following:

(a) for energy audits on district owned buildings conducted pursuant to chapter 116H, and for funding those energy conservation and renewable energy measures which the energy audits indicate will reduce the use of nonrenewable sources of energy to the extent that the projected energy cost savings will amortize the cost of the conservation measures within a period of ten years or less;

~~(b) for capital expenditures for the purpose of reducing or eliminating barriers to or increasing access to school facilities by handicapped persons;~~

~~(e) for capital expenditures to bring district facilities into compliance with the uniform fire code adopted pursuant to chapter 299F;~~

~~(d) (a) for expenditures for the removal of asbestos from school buildings or property or for asbestos encapsulation, if the method for asbestos removal or encapsulation is approved by the department of education;~~

~~(e) (b) for expenditures for the cleanup of polychlorinated biphenyls, if the method for cleanup is approved by the department of education;~~

~~(f) (c) for capital expenditures for the betterment, as defined in section 475.51, subdivision 8, of district-owned school buildings, other than as provided in clauses (b), (e), and (d) clause (a); or~~

~~(g) (d) to replace the building or property sold.~~

The amount of the proceeds used for the purposes specified in clauses (a); and (b); ~~(e)~~, ~~(d)~~, and (e) shall be deducted from the levy limitation computed for the levy authorized in section 275.125, ~~subdivisions 11b and subdivision 11c, as applicable,~~ in the first year after the deposit and from levy limitations computed for this levy in succeeding years until the entire amount is deducted.

(3) In a district with outstanding bonds, the amount of the proceeds of the sale or exchange remaining after the application of clauses (1) and (2), which is sufficient to meet when due that percentage of the principal and interest payments for the district's outstanding bonds which is not governed by clause (1), shall be deposited in the debt retirement fund.

(4) Any proceeds of the sale or exchange remaining in districts with outstanding bonds after the application of clauses (1), (2), and (3), and all proceeds of the sale or exchange in districts without outstanding bonds shall be deposited in the capital expenditure fund of the district.

(5) Notwithstanding clauses (2) and (3), a district with outstanding bonds may deposit in its capital expenditure fund and use for any lawful capital expenditure without the reduction of any levy limitation the same percentage of the proceeds of the sale or exchange of a building or property as the percentage of the initial cost of purchasing or constructing the building or property which was paid using revenue from the capital expenditure fund.

(6) Every district which sells or exchanges a building or property shall report to the commissioner in the form and at the time the commissioner prescribes on the disposition of the proceeds of the sale or exchange.

Sec. 8. Minnesota Statutes 1986, section 123.39, is amended by adding a subdivision to read:

Subd. 5b. [CERTAIN NONRESIDENTS.] The district of enrollment shall provide transportation within that district for a pupil enrolled there under section 6, and the state shall pay transportation aid under section 124.225 to the providing district. A district is not required to provide or pay for transportation between a pupil's residence and the border of the district of enrollment of a pupil enrolled under section 6.

A parent or guardian of a pupil enrolled under section 6 may apply to the district of enrollment for reimbursement for transporting the pupil between the pupil's residence and the border of the district of enrollment. The state board shall make rules to pay districts for reimbursing the parent or guardian for the transportation based on the parent's or guardian's means. The one-way mileage limit for reimbursement is 30 miles.

Sec. 9. Minnesota Statutes 1986, section 123.58, subdivision 6, is amended to read:

**Subd. 6. [DUTIES AND POWERS OF ECSU BOARD OF DIRECTORS.]** The board of directors shall have authority to maintain and operate an ECSU. Subject to the availability of necessary resources, the powers and duties of this board shall include the following:

(a) The board of directors shall submit within 90 days after the filing of the initial petition with the state board of education and by June 1 of each year thereafter to the state board of education and to each participating school district an annual plan which describes the objectives and procedures to be implemented in assisting in resolution of the educational needs of the ECSU. In formulating the plan the board is encouraged to shall consider: (1) the number of dropouts of school age in the ECSU area and the reasons for the dropouts; (2) existing programs within participating districts for dropouts and potential dropouts; (3) existing programs of the ECSU for dropouts and potential dropouts and (4) program needs of dropouts and potential dropouts in the area served by the ECSU.

(b) The ECSU board of directors may provide adequate office, service center, and administrative facilities by lease, purchase, gift, or otherwise, subject to the review of the state board of education as to the adequacy of the facilities proposed.

(c) The ECSU board of directors may employ a central administrative staff and other personnel as necessary to provide and support the agreed upon programs and services. The board may discharge staff and personnel pursuant to provisions of law applicable to independent school districts. ECSU staff and personnel may participate in retirement programs and any other programs available to public school staff and personnel.

(d) The ECSU board of directors may appoint special advisory committees composed of superintendents, central office personnel, building principals, teachers, parents and lay persons.

(e) The ECSU board of directors may employ service area personnel pursuant to licensure standards developed by the state board of education and the board of teaching.

(f) The ECSU board of directors may enter into contracts with school boards of local districts including school districts outside the ECSU area.

(g) The ECSU board of directors may enter into contracts with other public and private agencies and institutions which may include, but are not limited to, contracts with Minnesota institutions of higher education to provide administrative staff and other personnel as necessary to furnish and support the agreed upon programs and services.

(h) The ECSU board of directors shall exercise all powers and carry out all duties delegated to it by participating local school districts under provisions of the ECSU bylaws. The ECSU board of directors shall be governed, when not otherwise provided, by the provisions of law applicable to independent school districts of the state.

(i) The ECSU board of directors shall submit an annual evaluation report of the effectiveness of programs and services to the school districts and nonpublic school administrative units within the ECSU and the state board of education by September 1 of each year following the school year in which the program and services were provided.

(j) The ECSU board is encouraged to establish cooperative, working relationships with post-secondary educational institutions in the state.

Sec. 10. Minnesota Statutes 1986, section 123.58, subdivision 8a, is amended to read:

Subd. 8a. [TECHNICAL ASSISTANCE.] Insofar as possible, educational cooperative service units shall make technical assistance

for long-range planning available to school districts upon request and shall establish a common data base for local and regional decision making. Upon request of a district, the educational cooperative service units shall assist a district in establishing a continuum of services as described under section 126.66, subdivision 1.

Sec. 11. [123.951] [SCHOOL SITE MANAGEMENT AGREEMENT.]

A school board and school site management team may enter into an agreement relating to the governance, management, and control of an elementary, middle, secondary, or post-secondary school site in the district. The initial school site management team shall be appointed by the school board and shall include the building principal, representatives of teachers and other employees in the school, representatives of parents of students in the school, representatives of other members of the community, representatives of students, and others determined appropriate by the board. The permanent school site management team shall consist of representatives elected by each group represented on the site management team, including teachers, parents, students, other members of the staff, the principal, and members of the community. There shall be no limit on the powers of the school board or school district which may be delegated to the school site management team. If so authorized in the agreement, the school site management team shall have the power to exercise the delegated powers in the attendance area of the school site as though it were the school board of a school district. Any powers not specifically delegated shall remain with the school board. The agreement may include but shall not be limited to the following:

(1) necessary training for all the parties to implement a school site management plan;

(2) means by which necessary team-building and collegial decision-making can occur;

(3) composition, terms, and methods of selection and removal of successor members of the school site management team;

(4) general and specific powers delegated to the school site management team and definition of the school site attendance area;

(5) procedures for interaction between the school board and the school site management team;

(6) methods to ensure parental and community involvement in the decision-making process at the school site level;

(7) reporting of required information to the state and federal governments;

(8) methods for evaluation of the school site management option and reports to the school board and attendance area residents regarding the same;

(9) establishment of planning, evaluating, and reporting, and community advisory committees and task forces to give input to the governance of the school site;

(10) membership in educational organizations;

(11) methods and procedures for interaction with the adult and post-secondary vocational governance structure if the school site is an AVTI;

(12) allocation of operating fund revenues;

(13) allocation of nonoperating fund revenues;

(14) authority to receive gifts, donations, and bequests from public and private sources and to apply for, receive, and expend grant funds;

(15) issues related to staff, students, calendar, curriculum, student assessment, texts, materials, facilities, supplies, transportation, food service, equipment, and finances;

(16) authority to bid for goods, services, labor, and group or other insurance, and authority to contract with other governmental units;

(17) provision of transportation and food service;

(18) provision of community education and community use of facilities;

(19) establishment of personnel, educational, and operational policies for the school site;

(20) suspension, expulsion, and discipline of students;

(21) conduct of various educational programs; provisions for services for special education, special needs, minority, disadvantaged, and at-risk students;

(22) provision of athletic and extracurricular activities;

(23) authority relating to administration of school records and governmental data;

(24) liability and insurance issues, including limitation of liability to the school site attendance area;

(25) length of the agreement, method for termination, nonrenewal and renewal, and notice and hearing requirements;

(26) continuing obligations after termination of agreement and division of assets and liabilities; and

(27) any other items determined appropriate by and agreeable to the parties.

Sec. 12. Minnesota Statutes 1986, section 124.05, subdivision 1, is amended to read:

Subdivision 1. ~~At the annual organizational meeting in independent districts and at the annual district meeting in common districts or at other times if necessary, The board district shall designate one or more national or state banks as official depositories for district money; and thereupon shall require the treasurer to deposit all or part of the district money in such bank or banks. Such designation shall be in writing and set forth all the terms and conditions upon which the deposits are made; signed by the chair and clerk, and made a part of the minutes of the board. Thereupon such bank or banks shall become legal depositories for district money in the manner specified in section 118.005, subdivision 1. If the board shall refuse refuses or fail fails to designate one or more depositories in accordance with this subdivision, the treasurer shall deposit the funds of the district in accordance with the provisions of section 118.005, subdivision 2, and shall file a statement of the selection of the depository with the clerk of the district. The treasurer shall not thereafter be liable for the loss of any funds through the insolvency or default of such depository in the absence of negligence on the treasurer's part in the selection of the depository.~~

Sec. 13. Minnesota Statutes 1986, section 124A.036, is amended by adding a subdivision to read:

Subd. 5. [CERTAIN NONRESIDENTS.] The foundation aid for districts must be adjusted for pupils attending nonresident districts under section 6. The adjustments must be made under this subdivision.

(a) The foundation aid paid to the district of residence must be reduced by an amount equal to the formula allowance plus the total tier revenue per actual pupil unit of the resident district times the



number of pupil units of pupils attending another district under section 6.

(b) The foundation aid paid to the district that a pupil attends under section 6 shall be increased by an amount equal to the formula allowance plus the total tier revenue per actual pupil unit of that district times the number of pupil units of pupils attending school in the district under section 6.

(c) If the amount of the reduction to be made from the foundation aid of the district of residence is greater than the amount of foundation aid otherwise due the district, the excess reduction must be made from other state aids due the district.

Sec. 14. Minnesota Statutes 1986, section 125.611, subdivision 10, is amended to read:

Subd. 10. [PAYMENT ARRANGEMENT.] The early retirement incentive shall be paid by the employing school district at the time and in the manner mutually agreed upon by a teacher and the board. The state shall pay the district 50 percent of the authorized early retirement incentive grant on or before the September 1 immediately following the commissioner's approval of the teacher's application. For those applications which were approved prior to July 1, 1981, the state shall pay the districts any remaining state obligation on those grants by September 1, 1981. An early retirement incentive shall not be paid to any teacher who is discharged by a school district.

Sec. 15. Minnesota Statutes 1986, section 125.611, subdivision 11, is amended to read:

Subd. 11. Notwithstanding the provisions of subdivisions subdivision 2, 3 and 7, a teacher who has entered into an agreement for termination of services and withdrawal from active teaching service with an early retirement incentive may be employed as a substitute teacher after retirement.

Sec. 16. Minnesota Statutes 1986, section 125.611, subdivision 12, is amended to read:

Subd. 12. Any amount of unemployment insurance which the teacher receives and for which the district is required to pay into the unemployment compensation fund pursuant to section 268.06, subdivision 25, at any time after the teacher has entered into an agreement pursuant to subdivision 7, may be deducted by the district from the amount of the teacher's early retirement incentive or recovered by the district from the teacher up to the amount of the early retirement incentive. ~~The district shall pay 50 percent of any amount so deducted or recovered to the department of education, and~~

any amount so received by the department shall be deposited in the state treasury.

Sec. 17. Minnesota Statutes 1986, section 125.611, subdivision 13, is amended to read:

Subd. 13. [APPLICATIONS AFTER JUNE 30, 1984.] The state shall not reimburse the district for any portion of an early retirement incentive for any applications submitted after June 30, 1984. Beginning on July 1, 1984, a teacher meeting the requirements of subdivision 1 may apply to the school board of the employing district for a contract for termination of services, withdrawal from active teaching service, and payment of an early retirement incentive. This application shall be submitted on or before February 1 of the school year at the end of which the teacher wishes to retire. A school board shall approve or deny the application within 30 days after it is received by the board. The amount of the early retirement incentive shall be agreed upon between the teacher and the school board. The early retirement incentive shall be paid by the employing district at the time and in the manner mutually agreed upon by a teacher and the board.

Sec. 18. Minnesota Statutes 1986, section 126.02, subdivision 2, is amended to read:

Subd. 2. [TRAINING OF TEACHERS TEACHER EDUCATION PROGRAMS.] All colleges, schools, and other educational post-secondary institutions giving offering teacher training education programs shall provide courses in physical and health education, training, and instruction and. Every pupil attending any college, school, or educational institution in preparation for teaching service student in a teacher education program shall take such health courses.

Sec. 19. [126.22] [HIGH SCHOOL GRADUATION INCENTIVES PROGRAM.]

Subdivision 1. [PURPOSE.] The legislature finds that it is critical for persons to obtain at least a high school education to function in today's society. Therefore, the purpose of this section is to provide incentives for and encourage all Minnesota students who have experienced or are experiencing difficulty in the traditional education system to enroll in alternative programs in order to complete their high school education.

Subd. 2. [ELIGIBLE STUDENTS.] The following students are eligible to participate in the high school graduation incentives program:

(a) any person between 16 and 21 years of age who has not attended a high school program for at least one month, excluding

those months when school is not in session, and who is at least two grade levels below the performance level for students of the same age in a locally determined achievement test, or is at least one year behind in obtaining credits for graduation, or has been assessed as chemically dependent;

(b) any student who is between the ages of 16 and 19 who is attending school, and who is at least two grade levels below the performance level for students of the same age in a locally determined achievement test, or is at least one year behind in obtaining credits for graduation, or who is pregnant or is a parent, or has been assessed as chemically dependent; or

(c) any student who is between the ages of 12 and 16 and who:

(1) is at least two grade levels below the performance level for students of the same age in a locally determined achievement test; or

(2) is at least one year behind in obtaining credits for graduation; or

(3) is pregnant or is a parent; or

(4) has been assessed as chemically dependent; or

(5) has been absent from attendance at school without lawful excuse for one or more class periods on more than 15 days in the preceding or current school year.

Subd. 3. [ELIGIBLE PROGRAMS.] Students who are eligible to participate under subdivision 2 may enroll in the following programs:

(a) Any program approved by the state board of education under Minnesota Rules, part 3500.3500 or pursuant to section 121.11, subdivision 12, may enroll students who are eligible to participate under subdivision 2, clauses (a), (b) or (c) of this section;

(b) Students eligible to participate under subdivision 2, clause (a) of this section may enroll in post-secondary courses under section 123.3514;

(c) Any public secondary education program may enroll any student who is eligible to participate under subdivision 2, clause (b) or (c);

(d) An American Indian school that is nonsectarian, controlled by American Indians, is accredited or is a candidate for accreditation by north central accrediting association, has been in existence for at

least three consecutive school years, and serves pupils who are members of or qualified for membership in one or more federally-recognized Indian tribes, may enroll American Indian students who are eligible to participate under subdivision 2, clauses (a), (b) or (c); and

(e) A tribal contract school that is operated by a tribal government and that receives aid through a financial assistance contract with the Bureau of Indian Affairs, may enroll American Indian students who are eligible to participate under subdivision 2, clauses (a), (b) or (c).

Subd. 4. [STUDENT ENROLLMENT.] Any eligible student under subdivision 2 may apply to enroll in an eligible program under subdivision 3, using the form specified in section 120.0752, subdivision 2. Notwithstanding section 120.0752, approval of the resident district is not required for an eligible student under subdivision 2 to enroll in a nonresident district which has an eligible program under subdivision 3. A student enrolling in a program in a nonresident district under this section shall be considered a resident of that district.

Subd. 5. [DISSEMINATION OF INFORMATION.] A school district shall disseminate information, developed by the department of education, about the high school graduation incentives program to residents in the district who are under the age of 21.

Subd. 6. [REPORT.] By January 1, 1989, the commissioner shall report to the education committees of the legislature on the implementation of programs under this section.

Subd. 7. [DESEGREGATION PLANS.] Notwithstanding any provision to the contrary, students may not enroll in a nonresident district under this section if their enrollment in another school district would result in a violation of a district's desegregation plan, as mandated and approved by the state board of education.

**Sec. 20. [126.23] [FOUNDATION AID; ALTERNATIVE PROGRAMS.]**

If a pupil enrolls in an alternative program that has contracted with a school district to provide educational services for high school dropouts or other eligible students under section 19, subdivision 2, the resident district must reimburse the alternative program an amount equal to at least 50 percent of the formula allowance plus the total tier revenue attributable to that pupil.

**Sec. 21. Minnesota Statutes 1986, section 126.66, subdivision 1, is amended to read:**

Subdivision 1. The school board of each school district in the state shall adopt a written planning, ~~evaluation~~ evaluating, and reporting policy which establishes instructional goals and measurable learner objectives for the district, a process for achieving these goals, and procedures for evaluating and reporting progress toward the goals. These goals shall include meeting the curriculum requirements adopted by the state board of education. The school board shall review this policy each year and identify annual instructional goals and measurable learner objectives to be addressed during the current school year. School boards are encouraged to develop this school district policy and any revisions after consultation with the staff of each school building. In formulating the policy, the school board of a district is ~~encouraged to~~ shall consider: (a) the number of dropouts of school age in the district and the reasons for the dropouts; (b) existing programs within the district for dropouts and potential dropouts and (c) program needs of dropouts and potential dropouts. In addition, the districts are encouraged to establish a continuum of services beginning with early childhood programs and continuing through services for school-aged children and youth, and for adult literacy programs. Local planning for continuum of services should address at least the following:

- (1) availability of early childhood family education programs;
- (2) feasibility of:
  - (a) providing services for learners with debilitating or chronic health problems, or severe stress and depression;
  - (b) establishing a functional definition of learners at-risk of school failure;
  - (c) establishing identification and assessment procedures for learners at-risk;
  - (d) providing services for adolescent parents;
  - (e) coordinating these services with the chemical dependency programs under section 124.246; and
  - (f) other services for learners at-risk; and
- (3) means of developing working relationships with the parents and community.

Sec. 22. Minnesota Statutes 1986, section 275.125, subdivision 9, is amended to read:

Subd. 9. [LEVY REDUCTIONS; TACONITE.] (1) Reductions in levies pursuant to subdivision 10, and section 273.138, shall be made prior to the reductions in clause (2).

(2) Notwithstanding any other law to the contrary, districts which received payments pursuant to sections 294.21 to 294.26; 298.23 to 298.28, except an amount distributed under section 298.28, subdivision 4, paragraph (c), clause (ii); 298.34 to 298.39; 298.391 to 298.396; 298.405; 298.51 to 298.67; 477A.15; and any law imposing a tax upon severed mineral values, or under any other law distributing proceeds in lieu of ad valorem tax assessments on copper or nickel properties, or recognized revenue pursuant to section 477A.15; shall not include a portion of these aids in their permissible levies pursuant to those sections, but instead shall reduce the permissible levies authorized by this section and sections 124A.03, 124A.06, subdivision 3a, 124A.08, subdivision 3a, 124A.10, subdivision 3a, 124A.12, subdivision 3a, 124A.14, subdivision 5a, and 124A.20, subdivision 2, by the greater of the following:

(a) an amount equal to 50 percent of the total dollar amount of the payments received pursuant to those sections or revenue recognized pursuant to section 477A.15 in the previous fiscal year; or

(b) an amount equal to the total dollar amount of the payments received pursuant to those sections or revenue recognized pursuant to section 477A.15 in the previous fiscal year less the product of the same dollar amount of payments or revenue times the ratio of the maximum levy allowed the district under sections 124A.03, subdivision 2, 124A.06, subdivision 3a, 124A.08, subdivision 3a, 124A.10, subdivision 3a, 124A.12, subdivision 3a, and 124A.14, subdivision 5a, to the total levy allowed the district under this section and sections 124A.03, 124A.06, subdivision 3a, 124A.08, subdivision 3a, 124A.10, subdivision 3a, 124A.12, subdivision 3a, 124A.14, subdivision 5a, and 124A.20, subdivision 2, in the year in which the levy is certified.

(3) No reduction pursuant to this subdivision shall reduce the levy made by the district pursuant to section 124A.03, subdivision 1, to an amount less than the amount raised by a levy of 12.5 mills times the adjusted assessed valuation of that district for the preceding year as determined by the equalization aid review committee. The amount of any increased levy authorized by referendum pursuant to section 124A.03, subdivision 2 shall not be reduced pursuant to this subdivision. The amount of any levy authorized by subdivision 4, to make payments for bonds issued and for interest thereon, shall not be reduced pursuant to this subdivision.

(4) Before computing the reduction pursuant to this subdivision of the capital expenditure levy authorized by ~~subdivision~~ subdivisions

11a, 11c, 12, and 12a, and the community service levy authorized by ~~subdivision~~ subdivisions 8 and 8b, the commissioner shall ascertain from each affected school district the amount it proposes to levy for capital expenditures pursuant to ~~subdivision~~ subdivisions 11a, 11c, 12, and 12a, and for community services pursuant to ~~subdivision~~ subdivisions 8 and 8b. The reduction of the capital expenditure levy and the community services levy shall be computed on the basis of the amount so ascertained.

(5) Notwithstanding any law to the contrary, any amounts received by districts in any fiscal year pursuant to sections 294.21 to 294.26; 298.23 to 298.28; 298.34 to 298.39; 298.391 to 298.396; 298.405; 298.51 to 298.67; or any law imposing a tax on severed mineral values, or under any other law distributing proceeds in lieu of ad valorem tax assessments on copper or nickel properties; and not deducted from foundation aid pursuant to section 124A.035, subdivision 5, clause (2), and not applied to reduce levies pursuant to this subdivision shall be paid by the district to the St. Louis county auditor in the following amount by March 15 of each year except 1986, the amount required to be subtracted from the previous fiscal year's foundation aid pursuant to section 124A.035, subdivision 5, which is in excess of the foundation aid earned for that fiscal year. The county auditor shall deposit any amounts received pursuant to this clause in the St. Louis county treasury for purposes of paying the taconite homestead credit as provided in section 273.135.

#### Sec. 23. [ASSESSMENT AND EVALUATION OF THE PILOT PROGRAM.]

The department of education shall design and conduct appropriate assessment and evaluation of the voluntary K-12 pilot choice program under section 6. Participating districts and districts not participating in the pilot must be matched and included in the assessment and evaluation.

A report on the assessment and evaluation of the voluntary K-12 pilot choice program must be made to the legislature by February 1, 1990.

#### Sec. 24. [REVISOR'S INSTRUCTION.]

In sections 121.904, 121.912, 121.914, 121.917, 122.531, 123.71, 124.225, 124A.08, 136C.28, and 136C.69, the Revisor of Statutes shall change, in the next edition of Minnesota Statutes, the phrases in column A to the phrases in column B.

<u>Column A</u>	<u>Column B</u>
<u>Reserved Fund Balances</u>	
<u>Appropriated for AVTI Equipment</u>	<u>Reserved for AVTI Equipment</u>
<u>Appropriated for AVTI Repair</u>	<u>Reserved for AVTI Repair</u>
<u>and Betterment</u>	<u>and Betterment</u>
<u>Appropriated for Unemployment</u>	<u>Reserved for Unemployment</u>
<u>Insurance</u>	<u>Insurance</u>
<u>Appropriated for Severance Pay</u>	<u>Reserved for Severance Pay</u>
<u>Appropriated for Bus Purchases</u>	<u>Reserved for Bus Purchases</u>
<u>Appropriated for Statutory</u>	<u>Reserved for Statutory</u>
<u>Operating Debt Reduction</u>	<u>Operating Debt Reduction</u>
<u>Appropriated for Maintenance</u>	<u>Reserved for Maintenance</u>
<u>Levy Reduction</u>	<u>Levy Reduction</u>
<u>Appropriated for Current Use of</u>	<u>Reserved for Current Use of</u>
<u>Taconite Payments</u>	<u>Taconite Payments</u>
<u>Appropriated for Encumbrances</u>	<u>Reserved for Encumbrances</u>
<u>Unreserved Fund Balances</u>	
<u>Appropriated for Building</u>	<u>Designated for Building</u>
<u>Construction</u>	<u>Construction</u>
<u>Unappropriated Statutory</u>	<u>Undesignated Statutory</u>
<u>Operating Debt as of</u>	<u>Operating Debt as of</u>
<u>June 30, 1977</u>	<u>June 30, 1977</u>
<u>Unappropriated from July 1,</u>	<u>Undesignated from July 1,</u>
<u>1977</u>	<u>1977</u>
<u>Unappropriated</u>	<u>Undesignated</u>

Sec. 25. [REPEALER.]

Minnesota Statutes 1986, sections 124.05, subdivision 2, 124.185 and 125.611, subdivisions 8 and 9 are repealed.

Sec. 26. [EFFECTIVE DATE.]

Sections 6 and 13 are effective for public school students beginning in the 1987-1988 school year.

## ARTICLE 8

### EDUCATIONAL IMPROVEMENT AND TECHNOLOGY

Section 1. Minnesota Statutes 1986, section 121.609, subdivision 4, is amended to read:

Subd. 4. [REGIONAL SERVICES.] The department of education shall contract with educational cooperative service units or other regional educational service agencies to provide assistance to the school districts in an educational cooperative service unit region in implementing educational effectiveness. In selecting an agency to provide assistance to the school districts, the department shall consider such factors as support of the proposal by the participating



school districts and the extent to which the proposal provides for participation by school district staff. If more than one agency submits a proposal to provide services to school districts within an educational cooperative service unit region, the department shall encourage the agencies to develop a joint proposal. Every two years, the department shall evaluate the performance of the regional service providers and shall consider new proposals to provide regional services.

Sec. 2. [123.59] [EDUCATION DISTRICTS.]

Subdivision 1. [PURPOSE.] The purpose of an education district is to increase options for learning and access to educational opportunities by facilitating cooperation and coordination among school districts and between school districts and post-secondary institutions.

Subd. 2. [CRITERIA.] An education district may be formed by a group of school districts that, at the time of formation, is a group of at least five districts having at least 10,000 pupils in average daily membership or a group of at least ten districts or a group of districts having at least 7,500 square miles and, in any case, has an agreement to cooperatively provide educational services.

Subd. 3. [EDUCATION DISTRICT BOARD.] Based on needs of member districts, an education district board shall coordinate the programs and services of the education district. The board shall consist of one representative appointed by the school board of each district forming the education district, except that the boards of the districts forming the education district may designate a board already established under section 123.33, 123.351, 123.51, 123.58, chapter 136D, or section 471.59 to be the education district board. The board shall select its officers from among its members and shall specify the terms of officers.

Subd. 4. [JOINDER AND WITHDRAWAL.] A process for additional districts to join the education district and for districts to withdraw from the education district shall be determined at the time of the education district formation.

Subd. 5. [DUTIES AND POWERS OF THE EDUCATION DISTRICT BOARD.] (a) The education district board shall develop and implement a plan as specified in subdivision 7 for delivering educational services needed in the education district.

(b) The board may employ personnel as necessary to provide and support the programs and services of the education district. The board may discharge personnel according to provisions of law applicable to independent school districts. Education district staff shall participate in retirement programs and may participate in any other programs available to school district staff.

(c) The board may enter into contracts with school districts and other public and private agencies to provide services needed in the education district.

(d) The board may provide a procedure for institutions other than a school district to join the education district.

(e) The board shall be governed, unless otherwise provided, by laws applicable to independent school districts.

(f) The board shall submit a report each year about the activities of the education district to member districts on a date agreed to by the districts and by October 1 to the state board of education.

(g) The board is encouraged to publish and make available information about education district programs to the residents of an education district.

Subd. 6. [ADVISORY COUNCIL.] An advisory council, consisting of representatives from the program areas covered by the education district plan, shall be appointed by the education district board.

Subd. 7. [EDUCATION DISTRICT PLAN.] An education district board shall develop a comprehensive plan for continuous learning. The plan must address methods to improve the educational opportunities available in the education district.

The plan must be approved by all member districts and be submitted for review to all educational cooperative service units serving the area in which the school districts forming the education district are located. After review by the ECSU, the plan must be submitted to the state board of education for its review and comment. The education district board shall review the plan annually and make appropriate changes.

Subd. 8. [MANDATORY PLAN COMPONENTS.] The education district plan must provide for the following:

(1) coordination of member district and education district programs for handicapped pupils, gifted and talented pupils, at-risk pupils, secondary vocational education, improved learning, community education, early childhood family education, career education and low incidence academic programs;

(2) research, planning, and development functions, including acquiring and disseminating research information, developing methods to implement research, such as educational effectiveness programs and improving education based on educational research; and

(3) methods to meet needs for pupil health services, library services for professional staff and counseling services for students.

Subd. 9. [OPTIONAL PLAN COMPONENTS.] The education district plan may also include but not be limited to the following:

(1) methods for secondary pupils to enroll in courses in other school districts and in post-secondary institutions;

(2) methods for sharing administrative support and management services;

(3) professional development programs, including implementation of excellence in teaching and curriculum programs according to sections 126.70 to 126.72;

(4) programs that use learning time available during the summer;

(5) use of technology to deliver education programs and provide management assistance; or

(6) methods for involving parents in planning education programs.

Subd. 10. [ATTENDANCE IN OTHER DISTRICTS.] An education district board may, with the approval of all of the member districts, provide for a pupil who is a resident of a member district to attend programs or courses offered by another district that is a member of the education district. A pupil and parent shall consult with a career teacher, counselor, or principal about attending the nonresident district. The board may develop procedures for reimbursement of the cost of providing instruction to a nonresident pupil or the board may follow section 124.18, subdivision 2. The resident district shall count its resident pupils attending programs or courses in another district for the purpose of state aid and levy limitations. A resident or nonresident district may provide transportation for pupils attending programs or courses in another district.

Subd. 11. [ATTENDANCE AT POST-SECONDARY INSTITUTIONS.] An education district board may, with the approval of all of the member districts, provide for a secondary pupil who is a resident of a member district to enroll in courses offered by or in conjunction with post-secondary institutions. A pupil and parent shall consult with a career teacher, counselor, or principal about attending post-secondary courses. Credit shall be determined according to sections 123.3512 and 123.3513. Reimbursement for instruction offered by the post-secondary institution may be determined according to an agreement between the post-secondary institution and the education district board. A resident or nonresident district may provide transportation for a pupil enrolled in a course offered by a

post-secondary institution. This subdivision does not prevent a pupil from attending a post-secondary institution under section 123.3514.

Subd. 12. [FILLING TEACHING POSITIONS.] When an education district board or a school board of a district that is a member of the education district is filling a position resulting from implementation of the education district plan, the board may offer the position, as an exchange teacher according to section 125.13, to any teacher who is currently employed by a district that is a member of an education district. If the position is not filled by a teacher who is currently employed in a member district, the board shall offer the position to an available teacher, in the order of seniority on a combined seniority list of all available teachers in districts that are members of the education district. If no available teacher accepts the position, the board may fill the position with another teacher. For purposes of this subdivision, "available teacher" means a teacher in a district that is a member of the education district who (1) was placed on unrequested leave of absence according to section 125.12 or whose services were terminated under 125.17 as a result of the implementation of the education district plan not more than one year before the formation of the education district by a district that is a member of the education district, (2) was placed on unrequested leave of absence according to section 125.12 or whose services were terminated under 125.17 as a result of the implementation of the education district plan by a district that is a member of the education district, (3) has been notified of being placed on unrequested leave of absence according to section 125.12 or whose services were terminated under 125.17 as a result of the implementation of the education district plan by a district that is a member of an education district, or (4) is placed on unrequested leave of absence according to 125.12 or whose services were terminated under 125.17 as a result of the implementation of the education district plan by a district that is a member of the education district in the same school year that the position is filled. "Teacher" has the meaning given it in section 125.12, subdivision 1.

Subd. 13. [EDUCATIONAL COOPERATIVE SERVICE UNITS.] If requested, educational cooperative service units shall provide assistance to districts in establishing education districts. The assistance may include determination of appropriate boundaries of the education district and development of the comprehensive plan for learning. The educational cooperative service units may provide any other services requested by the education district.

Subd. 14. [REPORT TO LEGISLATURE.] By January 15 of each year, the state board of education shall report to the education committees of the legislature about the education districts that are established and the programs offered. The report due January 15, 1989 shall include recommendations for resolving inequities in teacher salaries and other compensation, revenues and tax bases

between the school districts which are members of an education district.

Sec. 3. Minnesota Statutes 1986, section 125.03, subdivision 5, is amended to read:

Subd. 5. "Teachers" for the purpose of examination means persons applying for initial teaching licenses ~~or persons applying for additional fields of licensure~~ to provide direct instruction to pupils in prekindergarten, elementary, secondary, and special education programs. It does not mean persons applying for licenses as supervisory or support personnel nor does it mean librarians, school social workers, school psychologists, audio-visual directors or coordinators, or media generalists or supervisors.

Sec. 4. Minnesota Statutes 1986, section 125.05, subdivision 1, is amended to read:

Subdivision 1. [QUALIFICATIONS.] The authority to license teachers as defined in section 125.03, subdivision 1, is vested in the board of teaching except that the authority to license supervisory and support personnel as defined in section 125.03, subdivision 4, is vested in the state board of education. Licenses shall be issued to such persons as the board of teaching or the state board of education finds to be competent for their respective positions. For teachers, as defined in section 125.03, subdivision 5, competency includes successful completion of an examination of ~~academic knowledge in each field of licensure and, for persons applying for initial licenses, an examination of skills in reading, writing, and mathematics for a person applying for initial licenses.~~ Qualifications of teachers and other professional employees except supervisory and support personnel shall be determined by the board of teaching under the rules which it promulgates. Licenses under the jurisdiction of the board of teaching shall be issued through the licensing section of the department of education. Licenses under the jurisdiction of the state board of education shall be issued through the licensing section of the department of education.

Sec. 5. Minnesota Statutes 1986, section 126.81, subdivision 2, is amended to read:

Subd. 2. [GRANTS FOR EXEMPLARY TEACHER EDUCATION PROGRAMS.] The board of teaching shall award ~~at least three~~ grants to public post-secondary institutions to develop exemplary teacher education programs. The majority of grants shall be awarded for programs that are conducted jointly by an approved teacher education institution and one or more school districts.

Sec. 6. Minnesota Statutes 1986, section 125.185, subdivision 4, is amended to read:

Subd. 4. The board shall adopt rules to license public school teachers and interns subject to chapter 14. The board shall adopt rules for examination of teachers, as defined in section 125.03, subdivision 5. The rules may allow for completion of the examination of skills in reading, writing, and mathematics before entering or during a teacher education program. The board shall adopt rules to approve teacher education programs. The board of teaching shall provide the leadership and shall adopt rules by October 1, 1988 for the redesign of teacher education programs to implement a research based, results-oriented curriculum that focuses on the skills teachers need in order to be effective. The board shall implement new systems of teaching education program evaluation to assure program effectiveness based on proficiency of graduates in demonstrating attainment of program outcomes.

These rules shall encourage require teacher educators to obtain periodic classroom elementary or secondary teaching experience. The board shall also grant licenses to interns and to candidates for initial licenses and. The board shall design and implement an assessment system which requires candidates for initial licensure and first continuing licensure to demonstrate the abilities necessary to perform selected, representative teaching tasks at appropriate levels. The board shall receive recommendations from local committees as established by the board for the renewal of teaching licenses. The board shall grant life licenses to those who qualify according to requirements established by the board, and suspend or revoke licenses pursuant to sections 125.09 and 214.10. Notwithstanding any law or rule to the contrary, the board shall not establish any expiration date for application for life licenses. With regard to vocational education teachers the board of teaching shall adopt and maintain as its rules the rules of the state board of education and the state board of vocational technical education.

Sec. 7. [125.19] [CITATION.]

Sections 8 to 13 may be cited as the "Minnesota teacher centers act."

Sec. 8. [125.191] [PURPOSE.]

The purpose of the teacher center program is to develop systematic, ongoing in-service education programs based on the needs of teachers, assure the dissemination and application of educational research developments to classroom instruction, and develop new curricula and curricular materials specifically designed to meet the educational needs of the students served.

Sec. 9. [125.192] [DEFINITIONS.]

Subdivision 1. [APPLICATION.] The definitions in this section apply in sections 8 to 13.

Subd. 2. [TEACHER.] "Teacher" means what it means in section 179A.03.

Subd. 4. [LOCAL POLICY BOARD.] "Local policy board" means the local teacher center board as established under section 5, subdivision 2.

Sec. 10. [125.193] [CENTER SELECTION.]

Subdivision 1. [AUTHORIZATION.] A school district and exclusive bargaining representative of its teachers or a group of school districts and exclusive bargaining representatives of their teachers that wish to establish a teacher center and receive funding may apply to the board of teaching and state board of education for approval for a teacher center.

Subd. 2. [APPLICATION.] The board of teaching and state board of education shall prescribe the form and manner of application for the teacher center, in consultation with the advisory committee established in subdivision 3. The application must provide evidence of the approval of both the teachers' exclusive representatives and the school boards of all participating districts.

Subd. 3. [ADVISORY COMMITTEE.] The board of teaching and state board of education shall appoint an advisory committee to assist the boards in the application and selection process, supervision, coordination, review, and evaluation of the teacher centers. The advisory committee shall consist of 15 persons. Members of the advisory committee shall be appointed as follows:

(1) two elementary teachers and two secondary teachers appointed by the Minnesota federation of teachers, including at least one special area teacher;

(2) two elementary teachers and two secondary teachers appointed by the Minnesota education association, including at least one special area teacher;

(3) one member appointed by the Minnesota school board association;

(4) one member appointed by the elementary school principals' association;

(5) one member appointed by the secondary school principals' association;

(6) one member appointed by the school administrators' association;

(7) one member from the University of Minnesota college of education faculty;

(8) one member representing the faculty of state university colleges of education; and

(9) one member representing the private colleges of education.

Sec. 11. [125.194] [CRITERIA FOR A TEACHER CENTER; LOCAL POLICY BOARD.]

Subdivision 1. [CRITERIA.] The following criteria must be met to be considered for funding as a teacher center:

(a) A teacher center shall serve at least ten districts or 3,000 teachers.

(b) A teacher center must provide for the following:

(1) provide training designed to assist teachers in better meeting the educational needs of the students they serve;

(2) assist teachers, diagnose learning needs, experiment with the use of multiple instructional approaches, assess student outcomes, assess staff development needs and plans, and train other school personnel in effective pedagogical approaches;

(3) develop and produce curricula and curricular materials designed to meet the educational needs of students being served through application of educational research or new or improved methods, practices, and techniques;

(4) provide training to improve the skills of teachers to enable such teachers to meet the special educational needs of the pupils they serve and to familiarize the teachers with developments in curriculum formulation and educational research, including how the research can be used to improve teaching skills;

(5) provide a location where teachers may share resources, ideas, methods, and approaches directly related to classroom instruction and become familiar with current teaching materials and products for use in their classrooms;

(6) when appropriate and necessary, retrain teachers and others with baccalaureate degrees to qualify to teach in subject areas where there are teacher shortages;

(7) serve as a mechanism for data gathering and research purposes;



(8) include plans for enhancing parental involvement in the educational process; and

(9) include plans for maintaining a coordinated effort and working relationship with teacher education institutions in the area.

(c) A teacher center must be governed by a local policy board, as established in subdivision 2.

(d) A teacher center must make efforts to seek funding and other in-kind contributions from other sources in addition to the amount of the planning grant awarded under section 12.

Subd. 2. [LOCAL POLICY BOARD.] Representatives of the teachers' exclusive bargaining representatives and representatives of the school board or school boards shall mutually appoint the local policy board for the teacher center, based on the following guidelines:

(1) a majority of the local policy board members must be teachers;

(2) membership of the local policy board must include elementary, secondary, and special area teachers, parents, school board members from some or all participating districts, higher education faculty representatives, and business, labor, or industry representation; and

(3) each participating district must have a minimum of one teacher on the local policy board.

The powers and duties of each local policy board may include, but not be limited to, policy formulation, designation of a fiscal agent, the employment of staff or consultants, budget control, and expenditure of funds to accomplish the purpose of this section, recommendations for subcontracting to secure technical and other kinds of assistance, and any other appropriate managerial or supervisory activities not otherwise prohibited by state law or state board rules.

#### Sec. 12. [125.195] [PLANNING GRANTS.]

Upon approval of an application by the board of teaching and state board of education, in consultation with the advisory committee, for establishment of a teacher center, the local policy board shall receive a planning grant to develop its operational plan for the teacher center. Planning grants must be made available up to the limit of the appropriation but must not be more than \$50,000 per teacher center application. The advisory committee shall make recommendations to the board of teaching and state board of education on the amount of funding for planning grants based on the number of teachers served by the center.

## Sec. 13. [125.196] [EVALUATION.]

Teacher centers shall provide data annually as required by the board of teaching and state board of education. The board of teaching and state board of education shall report to the education committees of the legislature by February 1 of 1989 and each odd-numbered year thereafter.

## Sec. 14. [125.20] [TEACHER EDUCATION CURRICULUM.]

Subdivision 1. [PURPOSE.] The legislature recognizes that revision of teacher education curricula is best conducted by faculty at teacher education institutions. It also recognizes that any revision is a substantial task beyond regularly assigned faculty duties. The purpose of this section is to support the work of curriculum revision.

Subd. 2. [ACTIVITIES.] The board of teaching shall provide leadership in developing curriculum conferences and other activities in at least six regions of the state, for teacher educators and their school partners, to assist in revising teacher education programs to meet the objectives for teacher education curriculum described in section 125.185, subdivision 4.

## Sec. 15. [125.21] [RESEARCH ON PROGRAM EFFECTIVENESS.]

Subdivision 1. [PURPOSE.] The legislature recognizes a growing and substantial concern about the effectiveness and breadth of the existing undergraduate curriculum for teacher education students. It also recognizes the absence of definitive research about the most effective curricula to adequately prepare teachers for entrance into the teaching profession. The purpose of this section is to support research on the comparative effectiveness of different teacher education program structures, after new programs have been designed and implemented, and the first graduates are in service.

Subd. 2. [RESPONSIBILITY.] By July 1, 1989, the board of teaching shall begin to evaluate the effectiveness of pre-baccalaureate, post-baccalaureate, and other alternative program structures for preparing candidates for entrance into the teaching profession. The evaluation shall be conducted by independent research centers or evaluators who are not associated with a Minnesota teacher education institution and shall be longitudinal in nature. By July 1, 1990, the board of teaching shall make a preliminary report on the effectiveness of alternative program structures to the education and finance committees of the legislature.

Sec. 16. [125.22] [LOCAL PROFESSIONAL DEVELOPMENT PROGRAMS.]

Subdivision 1. [DEVELOPMENT OF PLAN.] A school board, in consultation with a professional development advisory committee established under subdivision 2, shall develop and adopt a written professional development plan. The school district shall review its plan annually and make revisions as necessary.

Subd. 2. [ADVISORY COMMITTEE.] A school board which develops a professional development plan and applies for aid under this section must establish a local professional development advisory committee. The advisory committee must be composed of a majority of teachers representing various grade levels and subject areas and must also include representation of parents and administrators.

Subd. 3. [ELIGIBILITY FOR REVENUE.] Upon approval of the professional development plan by the commissioner, the district is eligible to receive additional revenue equal to \$10 times its actual pupil units for the current school year in the third tier of the foundation program under section 124A.10.

Subd. 4. [CONTENTS OF THE PLAN.] A school district, in its professional development plan, must identify:

(1) a planning team that includes a variety of staff who serve different ages of students and parents of different age group students;

(2) short-term and long-term staff development needs;

(3) goals to be achieved, the means for achieving the goals, and how the professional development efforts will affect student learning;

(4) professional development plans that give attention to school site decision making, research-based consideration of learning styles, opportunities for practice, and learners at-risk;

(5) methods to expand the professional work calendar for the school year to incorporate additional in-service days;

(6) methods to ensure that all personnel who serve learners with unique needs will be included in the program; and

(7) procedures for evaluating progress toward the goals.

Subd. 5. [TECHNICAL ASSISTANCE.] The department of education shall assist districts with information about professional devel-

opment, research, assessment, planning, implementation, and evaluation of staff development processes and plans.

Subd. 6. [USES OF LOCAL PROFESSIONAL DEVELOPMENT REVENUE.] School districts may use local professional development revenue for any of the purposes designated in:

(1) excellence in teaching and curriculum under sections 126.70 to 126.72;

(2) the Minnesota improved learning and principal-teacher, counselor-teacher, and career teacher act under sections 129B.42 to 129B.47;

(3) programs validated at the technology demonstration sites under section 129B.36;

(4) the coordinated model for educational improvement developed by the department of education; and

(5) any other local professional development programs approved by the commissioner.

Subd. 7. [APPROVAL OF PLAN.] The commissioner shall approve or disapprove a plan within 60 days of receiving the plan submitted by a district. A plan that is disapproved may be revised and resubmitted for approval.

Sec. 17. [125.23] [TEACHER ASSISTANCE THROUGH MENTORSHIP PROGRAM.]

Subdivision 1. [TEACHER MENTORING PROGRAM.] School districts are encouraged to participate in a competitive grant program that explores the potential of various teacher mentoring programs.

Subd. 2. [TEACHER MENTORING TASK FORCE.] The commissioner shall appoint a teacher mentoring task force including representatives of the two teachers unions, the two principals organizations, school boards association, administrators association, board of teaching, parent teacher association, post-secondary institutions, foundations, and the private sector. Representation on the task force by minority populations shall reflect the proportion of minorities in the public schools.

The task force shall:

(1) make recommendations for a system of incentives at the state and local level to assure that highly capable individuals are attracted to and retained in the teaching profession;

(2) determine ways in which teachers can be empowered through expanding to new and more professional roles;

(3) make recommendations on how the teacher mentoring program can become part of the teacher centers established under sections 8 to 12 when the centers become operational; and

(4) develop the application forms, criteria, and procedures for the mentorship program.

Subd. 3. [APPLICATIONS.] The commissioner of education shall make application forms available by October 1, 1987. By December 1, 1987, a school district, a group of school districts, or a coalition of districts, teachers and teacher education institutions may apply for a teacher mentorship program grant. By January 1, 1988, the commissioner, in consultation with the teacher mentoring task force, shall approve or disapprove the applications. To the extent possible, the approved applications must reflect a variety of mentorship program models, include a variety of coalitions and be geographically distributed throughout the state. The commissioner of education shall encourage the selected sites to consider the use of the assessment procedures developed by the board of teaching.

Subd. 4. [CRITERIA FOR SELECTION.] At a minimum, applicants 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;

(6) provide facilities and other resources; and

(7) share findings, materials, and techniques with other school districts.

Subd. 5. [ADDITIONAL FUNDING.] Applicants are required to seek additional funding and assistance from sources such as school districts, post-secondary institutions, foundations, and the private sector.

Subd. 6. [REPORT TO THE LEGISLATURE.] By January 1, 1988, the commissioner of education shall report to the legislature on the teacher mentoring task force recommendations for a system of

incentives at the state and local level to assure that highly capable individuals are attracted to and retained in the teaching profession.

By January 1 of 1989 and 1990, the commissioner of education shall report to the legislature on the design, development, implementation, and evaluation of the mentorship program.

Sec. 18. [125.24] [ADMINISTRATORS ACADEMY.]

Subdivision 1. [SERVICES.] An administrators academy is established. The academy shall provide at least the following services:

(1) an administrator assessment that results in an individual professional development plan;

(2) research and development assistance that provides current research and data of interest to administrators; and

(3) brokerage assistance to provide services and resources to help administrators with needs identified in their individual professional development plan.

Subd. 2. [GOVERNANCE.] The commissioner of education shall appoint a 17 member committee to govern the administrators academy. Eight members must be from among administrators who are receiving or have received the services of the academy. In addition, a representative of each of the following organizations: Minnesota department of education, Minnesota association of school administrators, Minnesota elementary school principals, Minnesota secondary school principals, University of Minnesota, state university system, and a representative from the private colleges must be appointed by the organization each represents. Parents and teachers shall also have representation on the governing board.

Subd. 3. [REPORT TO THE LEGISLATURE.] The department of education shall report to the legislature by January 1, 1989, on the services provided by the administrators academy.

Sec. 19. [125.25] [EDUCATOR EXCHANGE PROGRAM.]

Subdivision 1. [AGREEMENTS.] The state board of education shall enter into agreements to exchange Minnesota educators with educators from schools, states, provinces, or countries other than Minnesota and the United States. The agreements shall:

(1) be with locations that represent different cultures;

(2) be available for educators at all levels of the elementary and secondary education system;

(3) be for terms not to exceed one full school year;

(4) require that Minnesota educators meet the standards for holding continuing licensure as required in Minnesota; and

(5) require that educators from other locations meet the requirements existing in that location.

The state board may make up to four individual exchange agreements for the 1987-1988 school year and up to six individual exchange agreements for the 1988-1989 school year.

Subd. 2. [DISTRICT INVOLVEMENT.] (a) Single districts, groups of districts, and educational cooperative service units are encouraged to host educators from other countries and cultures through this program. Host districts, groups of districts, or educational cooperative service units shall apply to participate in the exchange program through a process developed by the state board of education. The terms and conditions for hosting exchange educators must be agreed upon before receiving the exchange educator, and must be included in the agreement between the state board of education and the home location of the educator. A part of the host agreement must include the use of the exchange educator in other locations for brief periods of time. The state board of education shall reimburse the exchange educator for travel and living expenses incurred in providing services outside of the host district or districts.

(b) The school board in each district is encouraged to provide a sabbatical leave of absence for each Minnesota educator approved for participation in this program. Districts that approve a sabbatical leave for participation in this program are eligible for reimbursement equal to the lesser of 50 percent of the salary paid during the leave or \$6,000. Districts that approve a leave of absence for a Minnesota educator to participate in this program shall agree to provide up to 45 days of additional paid leave during the first two years following the exchange assignment. The additional days of paid leave must be scheduled or approved by the department for purposes of curriculum development, providing learning experiences for educators and students in other districts, or making presentations to other appropriate individuals and groups. Districts must be reimbursed for each day of the leave. The reimbursement amount equals the lesser of \$100 per day or the negotiated substitute teacher pay for the district.

Subd. 3. [EDUCATOR INVOLVEMENT.] A Minnesota educator accepted in this program shall agree to live in the location for which the exchange was made, for the time period agreed upon, and to provide curriculum development, staff development, and speaking assignments in the two years following the exchange. Each educator selected from Minnesota is eligible for financial assistance equal to the lesser of 50 percent of the travel and living expenses incurred

during the exchange or \$1,000. Travel and related expenses incurred by the educator for assignments required by the department of education in the first two years following the exchange must be reimbursed by the department.

Subd. 4. [STATE BOARD INVOLVEMENT.] (a) The state board of education shall establish procedures to:

(1) develop and maintain exchange agreements with other countries and cultures;

(2) organize and disseminate information on exchange opportunities and select Minnesota educators for this program;

(3) provide for a smooth transition for Minnesota educators and educators from other locations to and from their assignment;

(4) select host districts in Minnesota to receive educators from other locations;

(5) use exchange educators from other locations in a broad range of educational assignments, curriculum development, and staff development activities;

(6) use Minnesota educators during the two years following their exchange for curriculum development, staff development, and experience sharing activities across the state; and

(7) publish and disseminate the curriculum and related materials written or developed by the educators participating in the exchange program.

(b) The state board of education shall provide guidelines and technical assistance to districts hosting educators from other locations.

(c) The state board shall also provide workshops and seminars for staff in Minnesota school districts on the use of curriculum materials written or developed by the exchanged educators participating in the exchange program.

Subd. 5. [EMPLOYMENT RIGHTS AND BENEFITS.] An educator granted a sabbatical leave of absence under this section shall retain seniority and continuing contract rights and other employment benefits in the district granting the leave as though that educator had been teaching in the district during the period of the sabbatical leave of absence.

Sec. 20. Minnesota Statutes 1986, section 126.65, is amended to read:



## 126.65 [FINDINGS.]

The legislature finds that a process for curriculum evaluation and planning is needed for continued improvement of the educational program for all public school children in the state, and to allow for better evaluation of educational programs by local communities. The legislature further finds that such a process is needed to facilitate decisions by school boards and communities as to concerning education curriculum planning and evaluation for curriculum improvement and deciding which services can best be provided by the public schools and which services can or should be provided by other institutions such as the family, the private sector or other public agencies in addition to the public education programs. The legislature further finds that efficient use of educational resources is needed with regard to educational technology and interdistrict cooperation.

Sec. 21. Minnesota Statutes 1986, section 126.66, subdivision 1, is amended to read:

Subdivision 1. The school board of each school district in the state shall adopt a written planning, ~~evaluation~~ evaluating, and reporting policy which establishes instructional goals ~~and~~, a curriculum review cycle, measurable learner objectives for the district, a process for achieving these goals, and procedures for evaluating and reporting progress toward the goals. These goals shall include meeting the curriculum requirements adopted by the state board of education. The school board shall review this policy each year and identify annual instructional goals and measurable learner objectives to be addressed during the current school year. School boards are encouraged to develop this school district policy and any revisions after consultation with the staff of each school building. In formulating the policy, the school board of a district is ~~encouraged to~~ shall consider: (a) the number of dropouts of school age in the district and the reasons for the dropouts; (b) existing programs within the district for dropouts and potential dropouts and (c) program needs of dropouts and potential dropouts.

Sec. 22. Minnesota Statutes 1986, section 126.66, is amended by adding a subdivision to read:

Subd. 1a. [MODEL STATE CORE CURRICULUM.] The department of education, in cooperation with the state curriculum advisory committee, shall develop a process for the development of a model state core curriculum consisting of a limited number of critical learner outcomes for each subject area. The process and outcomes must be approved by the state board of education.

The model state core curriculum must be research based and is intended to constitute only a portion of each district's total curriculum in each subject area. The model core curriculum must include

higher levels of thinking and learning. The board shall adopt an implementation, review and improvement cycle by which strengths and weaknesses are assessed through sample measurement of student learning, and improvement plans are developed and implemented.

The department in cooperation with the state curriculum advisory committee shall develop standard procedures for planning, evaluating, and reporting processes in local districts.

Sec. 23. Minnesota Statutes 1986, section 126.66, is amended by adding a subdivision to read:

Subd. 3a. [SCHOOL TEAMS.] Each school in every district shall establish a team to develop and implement a school improvement plan based upon identified needs in curriculum and instruction. The team would be representative of parents, teachers, administrators, professional support staff, and other community persons. The team would advise the local board and the local advisory committee in the development of an instructional improvement plan that provides for the alignment of the curriculum, assessment of student progress, and instruction.

Sec. 24. Minnesota Statutes 1986, section 126.66, subdivision 6, is amended to read:

Subd. 6. [REPORT.] By September October 1 of each year, the school board shall adopt a report which shall include the following:

- (a) annual instructional goals which were addressed for that year in the planning, evaluation, and reporting process;
- (b) appropriate evaluation of the annual instructional goals;
- (c) the results of the professional staff evaluation including local assessment data obtained pursuant to section 126.67, subdivision 2, and any additional appropriate test data;
- (d) the results of the consumer evaluation;
- (e) the annual school district improvement plans; and
- (f) a plan for implementing an assurance of mastery program the standard reporting procedures as developed by the department of education and the state curriculum advisory committee.

Every other year the report shall include an evaluation of the assessment programs pursuant to subdivision 7 and a report on the assurance of mastery program.

The school board shall disseminate the report to all residents of the district by publication in the local newspaper with the largest circulation in the district, by newsletter, or through the United States postal service. The report shall be on file and available for inspection by the public. A copy of the report which is disseminated to the community shall be sent to the commissioner of education by September 1 of each year. The school board shall provide a copy of the commissioner's response to the report to the curriculum advisory committee. All activities and reports pursuant to this section shall comply with chapter 13, and any other law governing data on individuals in school districts.

Sec. 25. Minnesota Statutes 1986, section 126.67, subdivision 1, is amended to read:

Subdivision 1. [TECHNICAL ASSISTANCE.] Insofar as possible, The department of education and educational cooperative service units shall make technical assistance for planning and evaluation available to school districts. The department shall collect the annual evaluation reports from districts as provided in section 126.66, subdivision 5, and shall make these data available upon request to any district seeking to use it for comparisons of pupil performance. If requested, the department of education shall provide technical assistance to a district developing assurance of mastery programs, achievement testing programs, competency testing programs, or other methods of measuring group or individual pupil progress.

Sec. 26. Minnesota Statutes 1986, section 126.67, subdivision 1a, is amended to read:

Subd. 1a. [STATE CURRICULUM ADVISORY COMMITTEE; LEGISLATIVE REPORT.] The commissioner shall appoint an 11-member state curriculum advisory committee to advise the state board and the department on the planning, evaluation, and reporting process. The committee shall consist of nine members, one appointed from each educational cooperative service unit, and two at-large members. The committee shall include representation from the state board of education, parents, teachers, administrators, and school board members. Each member shall be a present or past member of a school district curriculum advisory committee. The committee shall provide information and recommendations on at least the following:

(1) department procedures for approving reports and disseminating information;

(2) exemplary planning, evaluation, and reporting processes; and

(3) recommendations for improving the planning, evaluation, and reporting process; and

(4) the development of a process for the identification and implementation of critical learner outcomes.

By ~~January~~ February 1 of each year, the commissioner, in consultation with the state curriculum advisory committee, shall prepare a report for the education committees of the legislature on the planning, evaluation, and reporting program, which shall include the recommendations of the state curriculum advisory committee.

Sec. 27. Minnesota Statutes 1986, section 126.67, subdivision 2a, is amended to read:

Subd. 2a. [DISTRICT ASSESSMENTS.] As part of the planning, evaluation, and reporting process, each year a district shall, in at least three grades, conduct assessments among at least a sample of pupils in two curriculum areas. One curriculum area shall be communication, mathematics, science, or social studies. The second area shall be selected by the district for each subject area in that year of the curriculum review cycle. The district's curriculum review cycle for communication, mathematics, science and social studies must not extend beyond five years. Assessments may not be conducted in the same curriculum area during two consecutive years. The district may use tests from the assessment item bank, the local assessment option developed by the department, or other tests. As they become available, districts shall use state developed measures to assure state progress toward the state core curriculum. Funding is provided for districts that choose to use the local assessment program or the assessment item bank.

Sec. 28. Minnesota Statutes 1986, section 126.67, subdivision 3a, is amended to read:

Subd. 3a. [ASSURANCE OF MASTERY.] Each school board shall adopt a policy establishing a process to assure individual pupil mastery in communications and mathematics. This process shall include at least the following:

(1) procedures, which may include multiple or separate criteria, for the evaluation and identification of nonspecial education pupils and pupils with limited English proficiency who are not making sufficient progress in the mastery of communications and mathematics;

(2) procedures for implementation in grades kindergarten to 12, ~~beginning in the 1986-1987 school year~~, and requiring evaluation of progress toward mastery at least once during grades K to 3, once during grades 4 to 6, once during grades 7 to 9, and once during grades 10 to 12;

(3) procedures for parent conferences to establish an individualized remediation or modified instruction plan for each pupil who is

not making sufficient progress toward mastery of communication or mathematic skills; and

(4) procedures which shall consider and address the special needs of handicapped pupils and pupils with limited English proficiency.

Sec. 29. Minnesota Statutes 1986, section 126.67, subdivision 6, is amended to read:

Subd. 6. [ADDITIONAL TESTING.] The department upon written agreement with local school districts may perform additional testing and evaluation of students. The department may collect a reasonable fee not to exceed the actual cost of services. The department also may receive funds from public and private entities outside of the state of Minnesota for products and services provided as a part of the assessment item bank program. Any funds received as a result of item bank usage outside of the state must be exclusively dedicated to the improvement of measurement within Minnesota.

Sec. 30. Minnesota Statutes 1986, section 126.67, subdivision 9, is amended to read:

Subd. 9. [MODEL LEARNER EXPECTATIONS OUTCOMES.] The department shall develop and maintain sets of model learner ~~expectations outcomes~~. The department shall make the ~~expectations outcomes~~ available for a district, for assistance purposes, to use at the option of the district. The ~~expectations outcomes~~ shall be for pupils in kindergarten to grade 12 in at least the core curriculum areas of communication, mathematics, science, and social studies. The state core curriculum consisting of critical learner outcomes should be developed from these model learner outcomes. The department shall consult with each of the public post-secondary educational systems and with the higher education coordinating board in developing model learner ~~expectations outcomes~~ appropriate for entrance into post-secondary institutions.

Sec. 31. Minnesota Statutes 1986, section 129B.041, subdivision 1, is amended to read:

Subdivision 1. [COPYRIGHT.] Products of projects and programs funded pursuant to sections 129B.01 to 129B.05, including curriculum and instructional materials, computer and telecommunications software, and associated manuals and reports, may be copyrighted by the ~~council~~ department in the name of the state and may be sold. However, the state shall sell the products to all school districts and public agencies in the state at prices that do not exceed the cost of reproduction and distribution. Products sold shall be clearly labeled as products developed pursuant to a grant or loan from the council on quality education.

Sec. 32. Minnesota Statutes 1986, section 129B.041, subdivision 3, is amended to read:

Subd. 3. [REVOLVING FUND.] The education product and loan repayment revolving account is established in the state treasury. ~~Repayment of loans, made according to section 129B.04, subdivision 2; and Sale proceeds up to the cost of reproduction and distribution~~ from the sale of products under this section shall be deposited in this account. All funds in this account are annually appropriated to the department of education and shall be used to reproduce and distribute products of projects and programs funded pursuant to Minnesota Statutes 1986, sections 129B.01 to 129B.05.

Sec. 33. [129B.11] [PROGRAM IMPROVEMENT GRANTS.]

Subdivision 1. [PLANS; GRANT AWARDS.] The state board of education, with the advice of the state curriculum advisory committee and the advisory committee on technology in education for projects involving technology, shall make grants to groups of school districts to implement plans to improve education. The board may award grants to groups of districts which submit plans that include at least the following:

(1) program and curriculum changes which provide more learning opportunities for students;

(2) demonstration of a local commitment to the plan and in the case of plans utilizing technology, local financial support including public and private partnerships;

(3) involvement of school district teaching staff in development of the plan;

(4) demonstration that the plan is consistent with school district goals established under section 126.66; and

(5) the structural criteria established in subdivision 2.

The board may establish additional criteria and shall establish time-lines and the grant application procedure for making grants.

Subd. 2. [ELIGIBILITY.] To be eligible for a grant, a group of districts must meet one of the following criteria:

(1) create a consolidated district according to section 122.23, with the consolidated school district having at least 600 pupils in average daily membership;

(2) establish an education district according to section 2 of this article;

(3) form a group of districts that has an agreement under section 122.535 or 122.541 for discontinuing grades when the districts entering the agreement have a total of at least 240 pupils in average daily membership in grades 10, 11, and 12; or

(4) enter into a joint powers agreement for a technology cooperative where the school districts in the cooperative are contiguous but are significant distances apart so that other forms of cooperation are not practical.

Subd. 3. [AMOUNTS.] The board may determine the amount of the grant, but a grant shall not exceed \$250,000 for a group of districts.

Sec. 34. [129B.321] [STATE'S RIGHTS COURSEWARE ADVISORY COMMITTEE.] A state's rights courseware advisory committee is established. The committee shall consist of 15 educators knowledgeable about courseware who shall be appointed by the commissioner of education. To the extent possible, the committee shall be gender and geographically balanced, and representative of schools populations.

Sec. 35. Minnesota Statutes 1986, section 275.125, is amended by adding a subdivision to read:

Subd. 8d. [PROGRAM IMPROVEMENT LEVY.] In 1987 and thereafter, a district or a district that is a member of a group of districts that receives a grant under section 33 may levy an amount raised by the lesser of 1.5 mills times the adjusted assessed valuation of the district or an amount that, together with the grant received under section 33 does not exceed the actual cost of implementing the education improvement plan.

#### Sec. 36. [TECHNOLOGY LEVY.]

In 1987, a district that is a technology demonstration site, that received a technology grant under Laws 1985, First Special Session chapter 12, article 8, section 50, 51, 52, or 53, or that has become a member of one of these technology cooperatives since it has received the technology grants, may levy the lesser of an amount equal to one mill times the adjusted assessed valuation of the district or the unreimbursed cost of the expenses associated with the purchase of equipment and the operation of the site and additional program costs attributable to the site.

#### Sec. 37. [APPROPRIATIONS; DEPARTMENT OF EDUCATION.]

Subdivision 1. [DEPARTMENT OF EDUCATION.] There is appropriated from the general fund to the department of education the

sums in this section in the fiscal years ending June 30 in the years designated.

Subd. 2. [TECHNICAL ASSISTANCE; LOCAL STAFF DEVELOPMENT.] There is appropriated for providing technical assistance for local staff development plans under section 16 and for administrative costs in implementing the mentorship programs under section 17:

\$75,000 ... 1988,

\$75,000 ... 1989.

Subd. 3. [MENTORSHIP PROGRAMS.] There is appropriated for the mentorship programs under section 17:

\$250,000.....1988,

\$250,000.....1989.

Subd. 4. [TEACHER CENTERS.] There is appropriated for planning grants for teacher centers under section 12:

\$150,000.....1988,

\$150,000.....1989.

No more than \$5,000 each year shall be used for evaluation and dissemination.

Subd. 5. [ADMINISTRATORS ACADEMY.] There is appropriated for the administrator's academy under section 18:

\$167,300.....1988,

\$167,300.....1989.

Of the amounts appropriated for fiscal years 1988 and 1989, \$24,000 shall be used each year for the school management assessment center at the University of Minnesota.

Subd. 6. [EDUCATIONAL EFFECTIVENESS.] For educational effectiveness programs according to sections 121.608 and 121.609, there is appropriated:

\$690,300.....1988,

\$690,300.....1989.

Subd. 7. [AID FOR PLANNING, EVALUATION, AND REPORTING PROCESS.] For aid for the planning, evaluation, and reporting



process according to Minnesota Statutes, section 123.7431, there is appropriated:

\$1,014,300.....1988,

\$1,021,800.....1989.

Subd. 8. [STATE PER ASSISTANCE.] For state assistance for planning, evaluating, and reporting, there is appropriated:

\$478,000.....1988,

\$736,000.....1989.

Up to \$45,000 each year shall be used for assisting districts with the assurance of mastery program. Up to \$95,000 each year shall be used to develop and maintain model learner expectations. Up to \$18,000 each year shall be used for the state curriculum advisory committee. Up to \$270,000 each year shall be used for the assessment item bank. Up to \$233,000 of the amount for 1989 shall be used for the local assessment program. Up to \$50,000 of the amount for 1988 and up to \$75,000 of the amount for 1989 may be used by the department for administrative costs.

Subd. 9. [COUNCIL ON QUALITY EDUCATION; VENTURE FUND GRANTS.] For the council on quality education venture fund grants pursuant to Minnesota Statutes, sections 129B.01 to 129B.05, there is appropriated:

\$63,900.....1988.

The appropriation for fiscal year 1988 includes \$63,900 for grants for fiscal year 1987 payable in fiscal year 1988.

Subd. 10. [MASTERY LEARNING PROGRAM.] For the purposes of funding existing mastery learning sites authorized under sections 129B.61 to 129B.66, there is appropriated:

\$750,000.....1988.

Subd. 11. [CURRICULUM AND TECHNOLOGY INTEGRATION.] For curriculum and technology integration services, there is appropriated:

\$1,480,100.....1988,

\$1,340,100.....1989.

Up to \$935,100 each year shall be used for technology services. Up to \$355,000 each year shall be used for courseware integration

centers. Up to \$50,000 each year may be used for disseminating information about technology innovations identified in the technology demonstration sites. Up to \$140,000 of the appropriation for 1988 shall be used to purchase principles of technology courseware.

Subd. 12. [PROGRAM IMPROVEMENT GRANTS.] For the purposes of awarding program improvement grants under section 33, there is appropriated:

\$1,500,000.....1988.

This amount shall be available until the end of the biennium. Up to five percent of this amount may be used for evaluation and administration.

Subd. 13. [EDUCATOR EXCHANGE.] For the purposes of implementing the educator exchange program under section 19, there is appropriated:

\$100,000.....1988,

\$100,000.....1989.

Up to \$50,000 each year may be used for costs to administer the educator exchange program.

Subd. 14. [CANCELLATION AND PRORATION.] Except as provided in Minnesota Statutes, section 124.14, subdivision 7, none of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated. If the appropriation amount attributable to either year for the purpose indicated plus the amount of any transfers made according to Minnesota Statutes, section 124.14, subdivision 7, is insufficient, the aid for that year shall be prorated among all qualifying districts, and the state shall not be obligated for any amount in excess of the appropriations in this section for these purposes.

#### Sec. 38. [APPROPRIATIONS; BOARD OF TEACHING.]

Subdivision 1. There is appropriated from the general fund to the board of teaching the sums indicated in this section. Any unexpended balance remaining from the appropriations in this section for 1988 does not cancel and is available for the second year of the biennium.

Subd. 2. [ASSESSMENT OF TEACHER PERFORMANCE.] For the purposes of designing an assessment procedure for the plan

required in Laws 1985, First Special Session chapter 12, article 8, section 48, there is appropriated:

\$166,000....1988.

\$166,000....1989.

Subd. 3. [TEACHER EDUCATION CURRICULUM.] For the purposes of section 14, there is appropriated:

\$200,000....1988.

The appropriation shall be available until the end of the biennium.

Subd. 4. [EXEMPLARY TEACHER EDUCATION PROGRAMS.] For development of exemplary teacher education programs under section 126.81, and dissemination and replication of program models:

\$135,000.....1988,

\$135,000.....1989.

Sec. 39. [REPEALER.]

Minnesota Statutes 1986, sections 129B.01, 129B.02, 129B.04, 129B.041, subdivision 4, 129B.05, 129B.35 and 129B.37 are repealed.

## ARTICLE 9

### LIBRARIES

Section 1. Minnesota Statutes 1986, section 134.10, is amended to read:

134.10 [BOARD VACANCIES; COMPENSATION.]

The library board president shall report vacancies in the board to the council or the board of county commissioners. The council or board of county commissioners shall fill the vacancies by appointment for the unexpired term. Library board members shall receive no compensation for their services but may be reimbursed for actual and necessary traveling expenses incurred in the discharge of library board duties and activities or a per diem allowance according to section 375.47 in place of the expenses.

## Sec. 2. [134.341] [COUNTY FINANCIAL SUPPORT.]

In order to ensure the availability of public library service to every person in the state, beginning January 1, 1989, every county shall provide financial support for public library services at no less than minimum amounts as specified in sections 134.33 and 134.34 and shall participate in the designated regional public library system to which it is assigned by the state board of education under section 134.34, subdivision 3. Each county board of commissioners shall appoint at least one county resident to serve as a representative to the regional public library system board and may appoint more than one representative under terms and conditions of the regional public library system contract.

## Sec. 3. [APPROPRIATION.]

Subdivision 1. [DEPARTMENT OF EDUCATION.] There is appropriated from the general fund to the department of education the sums indicated in this section for the fiscal years ending June 30 in the years designated.

Subd. 2. [BASIC SUPPORT GRANTS.] For basic support grants pursuant to sections 134.32 to 134.35 for the provision of library service there is appropriated:

\$4,899,680.....1988,

\$4,974,800.....1989.

The appropriation for 1988 includes \$671,100 for aid for fiscal year 1987 payable in fiscal year 1988, and \$4,228,580 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriation for 1989 includes \$746,220 for aid for fiscal year 1988 payable in fiscal year 1989 and \$4,228,580 for aid for fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$4,974,800 for fiscal year 1988 and \$4,974,800 for fiscal year 1989.

Subd. 3. [MULTICOUNTY, MULTITYPE LIBRARY SYSTEMS.] For grants pursuant to sections 134.353 and 134.354 to multicounty, multitype library systems there is appropriated:

\$216,800.....1988,

\$221,500.....1989.

The appropriation for 1988 includes \$28,500 for aid for fiscal year 1987 payable in fiscal year 1988 and \$188,300 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriation for 1989 includes \$33,200 for fiscal year 1988 payable in fiscal year 1989, and \$188,300 for aid for fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$221,500 for fiscal year 1988 and \$221,500 for fiscal year 1989.

Subd. 4. [ONLINE COMPUTER-BASED LIBRARY CATALOG SYSTEM.] For the installation of an online computer-based library catalog system in state agency libraries there is appropriated:

\$250,000.....1988.

This sum shall be available until June 30, 1989.

To implement this subdivision, the department of education office of library development and services may increase its complement by .5 position for fiscal years 1988 and 1989 only.

## ARTICLE 10

### DEPARTMENT OF EDUCATION, MINNESOTA SCHOOL AND RESOURCE CENTER FOR THE ARTS, STATE ACADEMIES FOR THE BLIND AND DEAF

Section 1. Minnesota Statutes 1986, section 43A.08, subdivision 1, is amended to read:

- (a) Chosen by election or appointed to fill an elective office;
- (b) Heads of agencies required by law to be appointed by the governor or other elective officers, and the executive or administrative heads of departments, bureaus, divisions and institutions specifically established by law in the unclassified service;
- (c) Deputy and assistant agency heads, and one confidential secretary in the agencies listed in subdivision 1a;
- (d) The confidential secretary to each of the elective officers of this state and, for the secretary of state, state auditor, and state treasurer, an additional deputy, clerk, or employee;
- (e) Intermittent help employed by the commissioner of public safety to assist in the issuance of vehicle licenses;

(f) Employees in the offices of the governor and of the lieutenant governor, and one confidential employee for the governor in the office of the adjutant general;

(g) Employees of the legislature and of legislative committees or commissions; provided that employees of the legislative audit commission, except for the legislative auditor, the deputy legislative auditors, and their confidential secretaries, shall be employees in the classified service;

(h) Presidents, vice presidents, deans, other managers and professionals in academic and academic support programs, administrative or service faculty, teachers, research assistants and student employees eligible under terms of the federal economic opportunity act work study program in the school and resource center for the arts, state universities and community colleges. This paragraph shall not be construed to include the custodial, clerical or maintenance employees, or any professional or managerial employee performing duties in connection with the business administration of these institutions.

(i) Officers and enlisted persons in the national guard;

(j) Attorneys, legal assistants, examiners, and three confidential employees appointed by the attorney general or employed with the attorney general's authorization;

(k) Judges and all employees of the judicial branch, referees, receivers, jurors, and notaries public, except referees and adjusters employed by the department of labor and industry;

(l) Members of the state patrol; provided that selection and appointment of state patrol troopers shall be made in accordance with applicable laws governing the classified service;

(m) Chaplains employed by the state;

(n) Examination monitors and intermittent training instructors employed by the departments of employee relations and commerce;

(o) Student workers; and

(p) Employees unclassified pursuant to other statutory authority.

Sec. 2. Minnesota Statutes 1986, section 43A.08, subdivision 1a, is amended to read:

Subd. 1a. [ADDITIONAL UNCLASSIFIED POSITIONS.] Appointing authorities for the following agencies may designate additional unclassified positions according to this subdivision: the

departments of administration; agriculture; commerce; corrections; jobs and training; education; employee relations; energy and economic development; finance; health; human rights; labor and industry; natural resources; office of administrative hearings; public safety; public service; public welfare; revenue; transportation; and veterans affairs; the housing finance, state planning, and pollution control agencies; the state board of investment; the offices of the secretary of state, state auditor, and state treasurer; and the state board of vocational technical education; and the school and resource center for the arts.

A position designated by an appointing authority according to this subdivision must meet the following standards and criteria:

(a) the designation of the position would not be contrary to other law relating specifically to that agency;

(b) the person occupying the position would report directly to the agency head or deputy agency head and would be designated as part of the agency head's management team;

(c) the duties of the position would involve significant discretion and substantial involvement in the development, interpretation, and implementation of agency policy;

(d) the duties of the position would not require primarily personnel, accounting, or other technical expertise where continuity in the position would be important;

(e) there would be a need for the person occupying the position to be accountable to, loyal to, and compatible with the governor and the agency head, or the employing constitutional officer;

(f) the position would be at the level of division or bureau director or assistant to the agency head; and

(g) the commissioner has approved the designation as being consistent with the standards and criteria in this subdivision.

Sec. 3. Minnesota Statutes 1986, section 43A.18, subdivision 4, is amended to read:

Subd. 4. [PLANS NOT ESTABLISHED BUT APPROVED BY COMMISSIONER.] Notwithstanding any other law to the contrary, total compensation for employees listed in this subdivision shall be set by appointing authorities within the limits of compensation plans that have been approved by the commissioner before becoming effective.

(a) Total compensation for employees who are not covered by a collective bargaining agreement in the offices of the governor, attorney general, secretary of state, state auditor and state treasurer shall be determined by the governor, attorney general, secretary of state, state auditor and state treasurer, respectively.

(b) Total compensation for unclassified positions pursuant to section 43A.08, subdivision 1, clause (h), in the higher education coordinating board, and in the state board of vocational technical education shall be determined by the state university board and the state board for community colleges, the board of the school and resource center for the arts, the higher education coordinating board, and the state board of vocational technical education, respectively.

(c) Total compensation for classified administrative law judges in the office of administrative hearings shall be determined by the chief administrative law judge.

**Sec. 4. [128A.08] [SERVICE, SEMINAR, AND CONFERENCE FEES.]**

Subdivision 1. [DEPOSIT; CREDIT.] Fees and rental income, excluding rent for land and living residences, collected by the Minnesota state academy for the deaf and the Minnesota state academy for the blind for services, seminars, and conferences must be deposited in the state treasury and credited to the academies' revolving fund.

Subd. 2. [ADMINISTRATOR'S VOUCHERS.] Money may be paid from the academies' revolving fund only by vouchers authorized by the academies' administrator and is appropriated to the academies' administrator to defray expenses of the services, seminars, and conferences.

**Sec. 5. Minnesota Statutes 1986, section 129C.10, subdivision 1, is amended to read:**

**Subdivision 1. [GOVERNANCE.]** The board of the Minnesota school of and resource center for the arts and resource center shall consist of 15 persons. The members of the board shall be appointed by the governor with the advice and consent of the senate. At least one member must be appointed from each congressional district.

**Sec. 6. Minnesota Statutes 1986, section 129C.10, subdivision 3, is amended to read:**

**Subd. 3. [POWERS AND DUTIES OF BOARD.]** The board has the powers necessary for the care, management, and control of the Minnesota school of and resource center for the arts and resource



~~center~~ and all its real and personal property. The powers shall include, but are not limited to, the following:

(1) to employ and discharge necessary employees, and contract for other services to ensure the efficient operation of the school and resource center;

(2) to establish a charitable foundation and accept, in trust or otherwise, any gift, grant, bequest, or devise for educational purposes and hold, manage, invest, and dispose of them and the proceeds and income of them according to the terms and conditions of the gift, grant, bequest, or devise and its acceptance;

(3) to establish or coordinate evening, continuing education, extension, and summer programs through the resource center for teachers and pupils;

(4) to develop and pilot test an interdisciplinary education program. ~~An academic curriculum must be offered with special programs in dance, literary arts, media arts, music, theater, and visual arts in both the popular and fine arts traditions;~~

(4) to identify students in grades 9 to 12 with demonstrated or underdeveloped artistic talent in dance, literary arts, media arts, music, theatre and visual arts, or a combination of one or more art forms;

(5) to educate students with artistic talent by providing a variety of curriculum options including:

(a) a pilot interdisciplinary academic and arts program for students in grades 11 to 12, beginning with 135 11th grade students in September 1989, and 135 11th grade students and 135 12th grade students in September 1990;

(b) one and two-week long intensive arts seminars for 9th and 10th grade students;

(c) summer arts institutes for students in grades 9 to 12;

(d) artist mentor and extension programs in regional sites; and

(e) teacher education programs for indirect curriculum delivery.

~~(5)~~ (6) to determine the location for the Minnesota school of and resource center for the arts and resource center and any additional facilities related to the school, including the authority to lease a temporary facility;

(6) (7) to plan for the enrollment of enroll pupils, beginning in the 1989-1990 school year, to ensure statewide access and participation;

(7) (8) to establish advisory committees as needed to advise the board on policies and issues; and

(8) (9) to request the commissioner of education for assistance and services;

(10) to enter into contracts with other public and private agencies and institutions to provide residential and building maintenance services if it determines that these services could thus be provided in a more efficient and less expensive manner. The board may also enter into contracts with public and private agencies and institutions, school districts or combinations thereof, and educational cooperative service units to provide supplementary educational instruction and services;

(11) to provide and contract for services and programs by and for the school and resource center for the arts including: a school store, operated in connection with the school; theatrical events; and other programs and services that serve the purposes of the school and resource center for the arts, as determined by the board;

(12) to provide for the transportation of pupils to and from the school and resource center for the arts, and notwithstanding any other law to the contrary, to charge a reasonable fee for the transportation, for the whole or part of the school year, as it may consider advisable, subject to its rules. Every driver shall possess all the qualifications required by the rules of the state board of education. The board may contract for the furnishing of authorized transportation under rules established by the commissioner of education, and may purchase gasoline and furnish the same to a contract carrier for use in the performance of a contract with the board for transportation of pupils to and from the school and resource center for the arts. When transportation is provided, scheduling of routes, establishment of the location of bus stops, manner and method of transportation, control and discipline of pupils, and any other related matter is within the sole discretion, control, and management of the board;

(13) to spend a reasonable amount for room and board of pupils whose attendance at school can more economically and conveniently be provided for by that means; and

(14) to establish and charge fees without regard to chapter 14 for services and programs. In the event that the board sets fees not authorized or prohibited by the Minnesota public school fee law, it may do so without complying with the requirements of section 120.75, subdivision 1.

Sec. 7. Minnesota Statutes 1986, section 129C.10, is amended by adding a subdivision to read:

Subd. 3a. [SCHOOL AND RESOURCE CENTER FOR ARTS FUND.] There is established in the state treasury a school and resource center for the arts fund. All money collected by the board shall be deposited in the fund. Money in the fund including interest earned is annually appropriated to the board for the operation of its services and programs.

Sec. 8. Minnesota Statutes 1986, section 129C.10, subdivision 4, is amended to read:

Subd. 4. [EMPLOYEES.] (a) (1) The board shall appoint a director of the school ~~of~~ and resource center for the arts and resource center who shall serve in the unclassified service.

(2) The board shall employ, upon recommendation of the director, a coordinator of the resource center who shall serve in the unclassified service.

(3) The board shall employ, upon recommendation of the director, up to six department chairs who shall serve in the unclassified service. The chairs shall be licensed teachers unless no licensure exists for the subject area or discipline for which the chair is hired.

(4) The board may employ other necessary employees, upon recommendation of the director.

(5) The board shall employ, upon recommendation of the director, an executive confidential secretary for the director, who shall serve in the unclassified service.

(b) The employees hired under this subdivision and other necessary employees hired by the board shall be state employees in the executive branch.

Sec. 9. Minnesota Statutes 1986, section 129C.10, is amended by adding a subdivision to read:

Subd. 4a. [ADMISSION AND CURRICULUM REQUIREMENTS GENERALLY.] (a) The board may adopt rules for admission to and discharge from the school and rules regarding the operation of the school and resource center, including the transportation of its pupils. Rules covering admission and discharge are governed by chapter 14. Rules regarding the operation of the school are not governed by chapter 14.

(b) Proceedings concerning admission to or discharge from the school, a pupil's program at the school, and a pupil's progress at the

school are governed by the rules adopted by the board and are not contested cases governed by chapter 14.

(c) Notwithstanding section 120.10, subdivision 1, the board may require pupils to attend school more than 1200 hours a school year.

Sec. 10. Minnesota Statutes 1986, section 129C.10, subdivision 5, is amended to read:

Subd. 5. [RESOURCE CENTER.] Beginning in the 1985-1986 school year, The resource center shall offer programs that are directed at improving arts education in elementary and secondary schools throughout the state. The programs offered shall include at least summer institutes offered to pupils in various regions of the state, in-service workshops for teachers, and leadership development programs for teachers. The board shall establish a resource center advisory council composed of elementary and secondary arts educators, representatives from post-secondary educational institutions, department of education, state arts board, regional arts councils, educational cooperative service units, school district administrators, parents, and other organizations involved in arts education. The advisory council shall include representatives from a variety of arts disciplines and from various areas of the state. The advisory council shall advise the board about the activities of the center. Programs offered through the resource center shall promote and develop arts education programs offered by school districts and arts organizations and shall assist school districts and arts organizations in developing innovative programs. The board may contract with ~~nonprofit~~ arts organizations to provide programs through the resource center. The advisory council shall advise the board on contracts and programs related to the operation of the resource center.

Sec. 11. Minnesota Statutes 1986, section 129C.10, subdivision 6, is amended to read:

Subd. 6. [PUBLIC POST-SECONDARY INSTITUTIONS; PROVIDING SPACE.] Public post-secondary institutions shall provide space for programs offered by the Minnesota school of and resource center for the arts and resource center at no cost to the Minnesota school of and resource center for the arts and resource center to the extent that space is available at the public post-secondary institutions.

Sec. 12. [DEPARTMENT OF EDUCATION; APPROPRIATIONS.]

Subdivision 1. There is appropriated from the general fund, unless otherwise indicated, to the department of education for operation of the agency the sums indicated in this section for the fiscal years ending June 30 in the years designated. The approved complement is:

<u>State</u>	-	<u>1988</u>	=	<u>228.5</u>
		<u>1989</u>	=	<u>226.8</u>
<u>Federal</u>	-	<u>1988</u>	=	<u>146.4</u>
		<u>1989</u>	=	<u>146.4</u>
<u>Other</u>	-	<u>1988</u>	=	<u>10.5</u>
		<u>1989</u>	=	<u>10.5</u>
<u>Total</u>	-	<u>1988</u>	=	<u>385.4</u>
		<u>1989</u>	=	<u>383.7</u>

If necessary, the commissioner, with the approval of the commissioner of finance, may transfer complement between these categories not to exceed the total for each year.

The commissioner of education, with the approval of the commissioner of finance, may transfer unencumbered balances among the programs during the biennium. Transfers must be reported immediately to the house education finance division and the senate education aids subcommittee. During the biennium, the commissioner of education may transfer money among the various object of expenditure categories and activities within each program, unless restricted by executive order.

Subd. 2. [EDUCATION SERVICES.]

\$7,010,500.....1988,

\$6,938,000.....1989.

\$60,000 each year is from the public health fund. \$20,700 each year is from the trunk highway fund.

\$157,500 in 1988 and \$67,800 in 1989 is for providing appropriate and comprehensive information to school children about acquired immune deficiency syndrome.

The Governor's Council on Youth is discontinued.

\$50,000 each year is for support of the department's additional responsibilities related to youth. The complement of the department includes one additional position in the community education section for this purpose.

The complement of the secondary vocational section is reduced by two.

Subd. 3. [EDUCATION ADMINISTRATION AND FINANCE.]

\$5,208,800.....1988,

\$5,218,600.....1989.

\$205,000 each year is for management assistance. The complement of the department includes two additional positions for this purpose.

The commissioner of education shall maintain no more than six total complement in the categories of commissioner, deputy commissioner, assistant commissioner, assistant to the commissioner, or executive assistant.

Sec. 13. [SCHOOL AND RESOURCE CENTER FOR THE ARTS.]

There is appropriated from the general fund to the school and resource center for the arts the sums indicated in this section for the fiscal years ending June 30 in the years designated.

\$2,156,200.....1988,

\$2,677,700.....1989.

The approved complement is:

State	-	1988	=	14
		1989	=	21

If necessary, the director, with the approval of the commissioner of finance, may assign additional complement to carry out the operation of the school and resource center.

During the biennium, the director may transfer money among the various object of expenditure categories and activities within each program, unless restricted by executive order.

This appropriation is for continued operation of the resource center and continuation of planning for the start-up of the school in fiscal year 1990.

Sec. 14. [FARIBAULT ACADEMIES.]

There is appropriated from the general fund to the state board of education the sums indicated in this section for the operation of the Faribault academies in the fiscal years ending June 30 in the years designated.

\$6,265,400.....1988,

\$6,247,400.....1989.

The approved complement is:

<u>State</u>	-	1988	=	182.5
		1989	=	182.5
<u>Federal</u>	-	1988	=	8.0
		1989	=	7.0
<u>Total</u>	-	1988	=	190.5
		1989	=	189.5

If necessary, the state board, with the approval of the commissioner of finance, may transfer complement between categories.

Up to \$110,300 in 1988 and up to \$112,500 in 1989 is for repairs, replacements, and betterment.

Up to \$54,400 in 1988 and up to \$55,500 in 1989 is for repair and purchase of equipment.

Any unexpended balance remaining for repairs, replacements, betterments, and repair and purchase of equipment in 1988 shall not cancel but is available in 1989."

Delete the title and insert:

"A bill for an act relating to education; providing aids to education, aids to libraries, appropriations to the state academies for the deaf and blind, school and resource center for the arts, and the department of education; changing secondary pupil unit weighting; establishing a formula equity allowance; changing the calculation of special education aid; increasing the community education formula; establishing a fringe benefit program; changing the capital expenditure formula; changing the secondary vocational funding formula; establishing milk program aid; increasing desegregation levies and appropriating desegregation aid; appropriating money; amending Minnesota Statutes 1986, sections 43A.08, subdivisions 1 and 1a; 43A.18, subdivision 4; 118.12; 118.13; 118.14; 120.03, subdivision 1; 120.0752, by adding a subdivision; 120.17, subdivisions 1, 2, 3, 3a, 3b, 5, 7a, 12, and by adding subdivisions; 121.609, subdivision 4; 121.612, subdivisions 3, 5, and by adding subdivisions; 121.87, subdivision 1 and by adding a subdivision; 121.88, subdivision 2 and by adding a subdivision; 121.935, subdivision 6; 121.936, subdivision 1; 122.541, subdivision 2; 123.36, subdivision 13; 123.39, subdivision 1 and by adding a subdivision; 123.58, subdivisions 6 and 8a; 123.705, subdivision 1; 124.05, subdivision 1; 124.17, subdivisions 1 and 1a; 124.195, subdivision 9; 124.2138, subdivision 4, and by adding a subdivision; 124.2162, by adding a subdivision; 124.223; 124.225, subdivisions 1, 4b, 7b, 8a, 8i, 10, and by adding a subdivision; 124.245, subdivisions 1, 3, and by adding subdivisions; 124.246, subdivision 2; 124.247, subdivision 3, and by adding a subdivision; 124.252, subdivision 3; 124.271, subdivision 2b; 124.2711, subdivision 1; 124.272, subdivision 1; 124.273, subdivision 1b, and by adding subdivisions; 124.275, subdivision 2; 124.32;

124.481; 124.524, by adding a subdivision; 124.573; 124.574, subdivisions 2b, 3, 4, and by adding subdivisions; 124.646, subdivision 1; 124A.01; 124A.02, subdivisions 7, 8, 9, 16, and by adding subdivisions; 124A.03, subdivisions 1a, 3, and by adding a subdivision; 124A.033, subdivision 2; 124A.036, by adding a subdivision; 124A.06; 124A.08, subdivisions 1, 3a, and 5; 124A.10, subdivision 1, and by adding a subdivision; 124A.12, subdivision 1; 124A.14, subdivision 4; 125.03, subdivision 5; 125.05, subdivision 1; 125.185, subdivision 4; 125.611, subdivisions 10, 11, 12, and 13; 126.02, subdivision 2; 126.48, by adding a subdivision; 126.56, subdivisions 3 and 6; 126.65; 126.66, subdivisions 1, 6, and by adding subdivisions; 126.67, subdivisions 1, 1a, 2a, 3a, 6, and 9; 126.81, subdivision 2; 129B.041, subdivisions 1 and 3; 129B.17; 129B.20, subdivision 1; 129B.21; 129C.10, subdivisions 1, 3, 4, 5, 6, and by adding subdivisions; 134.10; 136D.27; 136D.71; 136D.74, subdivision 2; 136D.87; 275.125, subdivisions 5, 6e, 8c, 9, 11a, 11c, and by adding subdivisions; Laws 1984, chapter 463, article 6, section 15, subdivision 1; Laws 1986, First Special Session chapter 1, article 5, section 9; proposing coding for new law in Minnesota Statutes, chapters 43A; 121; 122; 123; 124; 124A; 125; 126; 128A; 129B; and 134; repealing Minnesota Statutes 1986, sections 120.17, subdivision 13; 123.937; 124.05, subdivision 2; 124.185; 124.2161; 124.2162; 124.2163; 124.225, subdivision 1a; 124.273, subdivision 2b; 124A.20; 125.611, subdivisions 8 and 9; 129B.01; 129B.02; 129B.04; 129B.041, subdivision 4; 129B.05; 129B.35; 129B.37; and 275.125, subdivision 5d."

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

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 793, A bill for an act relating to public meetings; requiring certain notice for all meetings; permitting certain remedies for violations; providing penalties; amending Minnesota Statutes 1986, section 471.705, subdivisions 1b, 2, and by adding subdivisions.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 471.705, is amended by adding a subdivision to read:

Subd. 1c. [NOTICE OF MEETINGS.] (a) [REGULAR MEETINGS.] A schedule of the regular meetings of a public body shall be kept on file at its primary offices. If a public body decides to hold a regular meeting at a time or place different from the time or place



stated in its schedule of regular meetings, it shall give the same notice of the meeting that is provided in this subdivision for a special meeting.

(b) [SPECIAL MEETINGS.] For a special meeting, except an emergency meeting or a special meeting for which a notice requirement is otherwise expressly established by statute, the public body shall post written notice of the date, time, place and purpose of the meeting on the principal bulletin board of the public body, or if the public body has no principal bulletin board, on the door of its usual meeting room. The notice shall also be mailed or otherwise delivered to each person who has filed a written request for notice of special meetings with the public body. This notice shall be posted and mailed or delivered at least three days before the date of the meeting. As an alternative to mailing or otherwise delivering notice to persons who have filed a written request for notice of special meetings, the public body may publish the notice once, at least three days before the meeting, in the official newspaper of the public body or, if there is none, in a qualified newspaper of general circulation within the area of the public body's authority. A person filing a request for notice of special meetings may limit the request to notification of meetings concerning particular subjects, in which case the public body is required to send notice to that person only concerning special meetings involving those subjects. A public body may establish an expiration date for requests for notices of special meetings pursuant to this paragraph and require refiling of the request once each year. Not more than 60 days before the expiration date of a request for notice, the public body shall send notice of the refiling requirement to each person who filed during the preceding year.

(c) [EMERGENCY MEETINGS.] For an emergency meeting, the public body shall make good faith efforts to provide notice of the meeting to each news medium that has filed a written request for notice if the request includes the news medium's telephone number. Notice of the emergency meeting shall be given by telephone or by any other method used to notify the members of the public body. Notice shall be provided to each news medium which has filed a written request for notice as soon as reasonably practicable after notice has been given to the members. Notice shall include the subject of the meeting. Posted or published notice of an emergency meeting shall not be required. An "emergency" meeting is a special meeting called because of circumstances that, in the judgment of the public body, require immediate consideration by the public body. If matters not directly related to the emergency are discussed or acted upon at an emergency meeting, the minutes of the meeting shall include a specific description of the matters.

(d) [RECESSED OR CONTINUED MEETINGS.] If a meeting is a recessed or continued session of a previous meeting, and the time and place of the meeting was established during the previous meeting and recorded in the minutes of that meeting, then no

further published or mailed notice is necessary. For purposes of this clause, the term "meeting" includes a public hearing conducted pursuant to chapter 429 or any other law or charter provision requiring a public hearing by a public body.

(e) [CLOSED MEETINGS.] The notice requirements of this subdivision apply to closed meetings.

(f) [STATE AGENCIES.] For a meeting of an agency, board, commission, or department of the state, (i) the notice requirements of this subdivision apply only if a statute governing meetings of the agency, board or commission does not contain specific reference to the method of providing notice, and (ii) all provisions of this subdivision relating to publication shall be satisfied by publication in the state register.

(g) [ACTUAL NOTICE.] If a person receives actual notice of a meeting of a public body at least 24 hours before the meeting, all notice requirements of this subdivision are satisfied with respect to that person, regardless of the method of receipt of notice.

(h) [LIABILITY.] No fine or other penalty may be imposed on a member of a public body for a violation of this subdivision unless it is established that the violation was willful and deliberate by the member."

Delete the title and insert:

"A bill for an act relating to public meetings; requiring certain notice for all meetings; amending Minnesota Statutes 1986, section 471.705, by adding a subdivision."

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

The report was adopted.

Otis from the Committee on Economic Development and Housing to which was referred:

H. F. No. 929, A bill for an act relating to economic development; authorizing the energy and economic development authority to make loans and grants and to guarantee loans to small business investment companies; authorizing the issuance of general obligation bonds of the state; appropriating money; amending Minnesota Statutes 1986, sections 116M.03, subdivisions 10, 11, and by adding

subdivisions; 116M.06, subdivisions 1, 2, and 4; and 116M.07, subdivision 1, and by adding a subdivision.

Reported the same back with the following amendments:

Page 7, line 35, after "\$" insert "5,000,000"

Page 7, line 36, after "business" insert "investment"

Page 7, line 36, after "\$" insert "500,000"

Page 8, line 2, after "\$" insert "1,000,000"

Page 8, line 3, after "\$" insert "250,000"

Page 8, delete sections 10 and 11

Amend the title as follows:

Page 1, line 5, delete "authorizing the"

Page 1, delete line 6

Page 1, line 7, delete "appropriating money;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1069, A bill for an act relating to crimes; permitting evidence showing a tendency to fabricate allegations of sexual assault; requiring three days' notice of intent to introduce evidence of victim's prior sexual conduct; amending Minnesota Statutes 1986, section 609.347, subdivisions 3, 4, and 6.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1070, A bill for an act relating to crimes; criminal sexual conduct; creating a crime of fifth degree criminal sexual conduct;

amending Minnesota Statutes 1986, section 609.341, subdivision 11; proposing coding for new law in Minnesota Statutes, chapter 609.

Reported the same back with the following amendments:

Page 2, line 22, delete "two years" and insert "one year"

Page 2, line 23, delete "\$5,000" and insert "\$3,000"

Page 2, after line 23, insert:

"Subd. 3. [PROSECUTING ATTORNEY.] The county attorney shall prosecute violations of this section."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1071, A bill for an act relating to crimes; criminal sexual conduct; clarifying the definition of "mentally incapacitated"; providing that criminal sexual contact requires sexual or aggressive intent; amending Minnesota Statutes 1986, section 609.341, subdivisions 7 and 11.

Reported the same back with the following amendments:

Page 1, line 14, after "substance" insert a comma

Page 2, after line 27, insert:

"Sec. 3. Minnesota Statutes 1986, section 609.341, subdivision 14, is amended to read:

Subd. 14. "Coercion" means words or circumstances that cause the complainant reasonably to fear that the actor will inflict bodily harm upon, or hold in confinement, the complainant or another, or force the complainant to submit to sexual penetration or contact, but proof of coercion does not require proof of a specific act or threat."

Page 2, line 28, delete "3" and insert "4"

Page 2, line 29, delete "and 2" and insert "to 3"

Amend the title as follows:

Page 1, line 5, after the semicolon insert "expanding the definition of coercion;"

Page 1, line 6, delete "and" and insert a comma and after "11" insert ", and 14"

With the recommendation that when so amended the bill pass.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1150, A bill for an act relating to the city of Hermantown; extending the period that land held by the city for economic development is exempt from tax.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 1187, A bill for an act relating to state government; establishing the economic opportunity office; providing for the appointment of an advisory council; proposing coding for new law in Minnesota Statutes, chapter 268.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1278, A bill for an act relating to custody; providing that evidence of domestic abuse is relevant to determinations of custody; amending Minnesota Statutes 1986, sections 518.17, subdivision 1; and 518B.01, by adding a subdivision.

Reported the same back with the following amendments:

Page 2, line 10, after "518B.01" insert ", subdivision 2, paragraph (a)"

Page 2, line 16, delete "BINDING"

With the recommendation that when so amended the bill pass.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1344, A bill for an act relating to the city of Sabin; providing for apportionment of debt service levy in rural and urban service districts in the city; permitting inclusion of platted land in a rural service district in the city.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1511, A bill for an act relating to statutes; conforming various laws to judicial decisions of unconstitutionality and suggestions for clarity; amending Minnesota Statutes 1986, sections 169.121, subdivision 4; 179A.20, subdivision 4; 197.46; 268.04, subdivisions 26 and 29; 268.06, subdivision 5; 340A.501; and 352B.15; repealing Minnesota Statutes 1986, sections 466.03, subdivision 2; 487.39; and 595.04.

Reported the same back with the following amendments:

Pages 1 and 2, delete section 1

Pages 5 to 7, delete sections 4 to 7

Renumber the remaining sections in sequence

Amend the title as follows:

Page 1, line 5, delete "169.121, subdivision 4;"

Page 1, line 6, delete everything after the second semicolon

Page 1, line 7, delete everything before "and"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

S. F. No. 44, A bill for an act relating to highways; abolishing restrictions on disposition of right-of-way of trunk highway No. 15 in St. Cloud; repealing Laws 1986, chapter 387, section 2.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

S. F. No. 53, A bill for an act relating to municipal liability; providing for indemnification of employees for punitive damages; amending Minnesota Statutes 1986, sections 466.06; and 466.07, subdivision 1; repealing Minnesota Statutes 1986, section 466.07, subdivisions 1a, 2, and 4.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

S. F. No. 131, A bill for an act relating to transportation; authorizing commissioner of transportation and local road authorities to reduce speed limits in work zones; amending Minnesota Statutes 1986, section 169.14, by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

S. F. No. 136, A bill for an act relating to transportation; school bus safety; providing for amber proceed-with-caution signal for driver-

activated student control warning systems; amending Minnesota Statutes 1986, section 169.44, subdivision 1d.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

S. F. No. 409, A bill for an act relating to child abuse reporting; requiring mandated reporters to report certain past occurrences of child abuse or neglect; requiring the commissioner to investigate reports of past occurrences of child abuse or neglect in a facility; amending Minnesota Statutes 1986, section 626.556, subdivisions 3, 6, and 10b.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

S. F. No. 456, A bill for an act relating to controlled substances; prescribing "small amount" of marijuana; clarifying certain Schedule II controlled substances; prescribing amount of marijuana for possession in a motor vehicle; amending Minnesota Statutes 1986, sections 152.01, subdivision 16; 152.02, subdivision 3; and 152.15, subdivision 2.

Reported the same back with the following amendments:

Amend the title as follows:

Page 1, line 2, delete "prescribing" and insert "defining"

Page 1, line 3, before the semicolon, insert "when measured under the metric system"

Page 1, line 4, delete "prescribing" and insert "defining"

Page 1, line 5, before the semicolon, insert "when measured under the metric system"

With the recommendation that when so amended the bill pass.

The report was adopted.



Battaglia from the Committee on Local and Urban Affairs to which was referred:

S. F. No. 470, A bill for an act relating to the city of Duluth and the county of St. Louis; authorizing the filing of the plat of Spirit Valley.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

S. F. No. 480, A bill for an act relating to the city of Duluth; authorizing the city to prepare, adopt, and amend design districts and a design framework to establish a design advisory committee, and to establish design review procedures to preserve and enhance the city's appearance and environmental quality.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

S. F. No. 725, A bill for an act relating to local government; removing limitations on tax adjustments related to annexations; amending Minnesota Statutes 1986, section 414.035.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

S. F. No. 1067, A bill for an act relating to local government; providing for the discharge of charter commissions; amending Minnesota Statutes 1986, section 410.05, by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Vanasek from the Committee on Rules and Legislative Administration to which was referred:

House Concurrent Resolution No. 8, A House concurrent resolution commemorating the life and work of John Mariucci.

Reported the same back with the recommendation that the resolution be adopted.

The report was adopted.

## **SECOND READING OF HOUSE BILLS**

H. F. Nos. 624, 674, 730, 929, 1069, 1070, 1071, 1187, 1278 and 1511 were read for the second time.

## **SECOND READING OF SENATE BILLS**

S. F. Nos. 44, 53, 136, 409, 456, 470, 480, 725 and 1067 were read for the second time.

## **INTRODUCTION AND FIRST READING OF HOUSE BILLS**

The following House Files were introduced:

O'Connor, Bishop, Ogren, Trimble and Milbert introduced:

H. F. No. 1605, A bill for an act relating to state government; providing for leveling of playing fields.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Knuth and Voss introduced:

H. F. No. 1606, A bill for an act relating to taxation; requiring a registration certificate for park trailers; imposing a registration tax on park trailers; requiring unregistered park trailers to pay property tax; imposing motor vehicle excise tax on park trailers; providing that motor vehicle dealers may sell park trailers; amending Minnesota Statutes 1986, sections 168.011, subdivisions 4 and 8; 168.012, subdivision 9; 168.013, subdivision 1, and by adding a subdivision; 168.053, subdivision 2; 168.27, subdivision 1; and 297B.01, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 168.

The bill was read for the first time and referred to the Committee on Taxes.

Vanasek introduced:

H. F. No. 1607, A bill for an act relating to elections; limiting campaign expenditures by congressional candidates who choose to receive a public subsidy for their campaigns; making related changes in the ethics in government act; imposing penalties; amending Minnesota Statutes 1986, sections 10A.01, subdivisions 7, 10, 10b, 15, and by adding subdivisions; 10A.25, subdivision 10, and by adding subdivisions; 10A.255; 10A.27, by adding a subdivision; 10A.275; 10A.28; 10A.30, subdivision 2; 10A.31, subdivisions 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, and by adding subdivisions; 10A.33; 10A.335; and 290.06, subdivision 11; proposing coding for new law in Minnesota Statutes, chapter 10A; repealing Minnesota Statutes 1986, sections 10A.02, subdivision 11a; 10A.25, subdivision 7; 10A.27, subdivision 5; and 10A.32.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Kelso; Nelson, D.; Schreiber; Seaberg and Knuth introduced:

H. F. No. 1608, A bill for an act relating to taxation; providing for computation of the metropolitan transit tax reduction for certain cities and towns; amending Minnesota Statutes 1986, section 473.446, subdivision 1.

The bill was read for the first time and referred to the Committee on Metropolitan Affairs.

Olsen, S., and McPherson introduced:

H. F. No. 1609, A bill for an act relating to education; requiring the state board of education to recommend a definition of the secondary education foundation program to which every Minnesota secondary student will have access; requiring the state board of education to solicit public participation; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 124A.

The bill was read for the first time and referred to the Committee on Education.

Wenzel introduced:

H. F. No. 1610, A bill for an act relating to public employees; providing that public safety dispatchers are essential employees; amending Minnesota Statutes 1986, section 179A.03, subdivision 7.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Lasley; Peterson; Larsen; Carlson, D., and Jennings introduced:

H. F. No. 1611, A bill for an act relating to education; providing for capital improvements at the Cambridge Community College Center; providing for the issuance of state building bonds.

The bill was read for the first time and referred to the Committee on Appropriations.

Wenzel introduced:

H. F. No. 1612, A bill for an act relating to public administration; appropriating state money for public purposes during the 1987-1989 biennium, subject to certain conditions; eliminating and consolidating certain state agencies and departments; reducing the appropriations for certain state agencies and departments.

The bill was read for the first time and referred to the Committee on Appropriations.

## HOUSE ADVISORIES

The following House Advisories were introduced:

Lieder; Kalis; Begich; Johnson, V., and Tunheim introduced:

H. A. No. 23, A proposal to study maximum vehicle weights and the bridge formula.

The advisory was referred to the Committee on Transportation.

Hartle, Poppenhagen, Skoglund, Milbert and Blatz introduced:

H. A. No. 24, A proposal to study the operation of insurance guaranty associations.

The advisory was referred to the Committee on Financial Institutions and Insurance.

## MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 28, A bill for an act relating to financial institutions; extending the EFT law to terminals located on the premises of a financial institution; providing options for a financial institution relating to the availability of an electronic financial terminal for other financial institutions; permitting certain advertising relating to an electronic financial terminal; amending Minnesota Statutes 1986, sections 47.61, subdivision 3; 47.63; 47.64, subdivisions 1, 3, and 4; and 47.67.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to:

S. F. No. 38, A bill for an act relating to alcoholic beverages; permitting certain transactions by brewers and wholesalers; authorizing cities to issue temporary off-sale licenses for the sale of

vintage wine at auctions; amending Minnesota Statutes 1986, sections 340A.308; and 340A.405, by adding a subdivision.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Messrs. Spear, Luther and Anderson.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Jacobs moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 38. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to:

S. F. No. 397, A bill for an act relating to elections; setting times for changing election precincts and redistricting certain election districts; amending Minnesota Statutes 1986, sections 204B.14, subdivision 3; and 375.025, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 204B.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Ms. Peterson, D.C.; Messrs. Luther and Laidig.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Scheid moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 397. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 494, 737, 793 and 1349.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 250, 916 and 1015.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 494, A bill for an act relating to the Duluth airport authority; providing that authority employees hired after a certain date are not covered by any civil service system.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

S. F. No. 737, A bill for an act relating to health; requiring the board of medical examiners to release certain information about disciplinary investigations and proceedings; amending Minnesota Statutes 1986, section 147.01, subdivision 4.

The bill was read for the first time and referred to the Committee on Health and Human Services.

S. F. No. 793, A bill for an act relating to commerce; consumer protection; requiring the repair, refund, or replacement of new motor vehicles under certain circumstances; prescribing certain arbitration mechanisms for all automobile manufacturers doing business and offering express warranties on their vehicles sold in Minnesota; amending Minnesota Statutes 1986, section 325F.665.

The bill was read for the first time.

Begich moved that S. F. No. 793 and H. F. No. 845, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1349, A bill for an act relating to state departments and agencies; renaming the division of emergency services; amending Minnesota Statutes 1986, section 12.04.

The bill was read for the first time and referred to the Committee on Governmental Operations.

S. F. No. 250, A bill for an act relating to game and fish; requiring a firearms safety certificate to hunt big game with firearms and by archery; amending Minnesota Statutes 1986, sections 97A.451, subdivision 3; and 97B.015, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 97B.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

S. F. No. 916, A bill for an act relating to workers' compensation; providing a permanent partial disability rating for certain losses; proposing coding for new law in Minnesota Statutes, chapter 176.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

S. F. No. 1015, A bill for an act relating to public safety; regulating boilers and their operation; amending Minnesota Statutes 1986, sections 183.375, subdivision 2; 183.411, by adding a subdivision; 183.42; 183.545, subdivision 4; and 183.56; repealing Minnesota Statutes 1986, section 183.545, subdivision 5.

The bill was read for the first time.

Begich moved that S. F. No. 1015 and H. F. No. 1155, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

## CONSENT CALENDAR

H. F. No. 1371, A bill for an act relating to courts; specifying certain locations for holding court in Ramsey county; proposing coding for new law in Minnesota Statutes, chapter 488A.



The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 109 yeas and 10 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Krueger	Ozment	Skoglund
Anderson, R.	Gruenes	Larsen	Pappas	Solberg
Battaglia	Gutknecht	Lasley	Pauly	Sparby
Bauerly	Hartle	Lieder	Pelowski	Stanius
Beard	Haukoos	McEachern	Peterson	Steensma
Begich	Heap	McLaughlin	Poppenhagen	Sviggum
Bertram	Himle	McPherson	Price	Swenson
Bishop	Hugoson	Miller	Quinn	Tompkins
Blatz	Jacobs	Minne	Redalen	Trimble
Boo	Jaros	Morrison	Reding	Tunheim
Brown	Jefferson	Murphy	Rest	Uphus
Burger	Jennings	Nelson, C.	Rice	Valento
Carlson, D.	Jensen	Nelson, D.	Richter	Vanasek
Carlson, L.	Johnson, A.	Nelson, K.	Rodosovich	Vellenga
Carruthers	Johnson, R.	Neuenschwander	Rose	Voss
Clark	Johnson, V.	O'Connor	Rukavina	Wagenius
Cooper	Kelly	Ogren	Sarna	Waltman
Dauner	Kelso	Olson, E.	Schoenfeld	Welle
DeBlick	Kinkel	Olson, K.	Seaberg	Wenzel
Dorn	Kludt	Omann	Segal	Winter
Frederick	Knickerbocker	Orenstein	Shaver	Spk. Norton
Frerichs	Knuth	Otis	Simoneau	

Those who voted in the negative were:

Bennett	Forsythe	Olsen, S.	Quist	Thiede
Clausnitzer	McDonald	Onnen	Schafer	Tjornhom

The bill was passed and its title agreed to.

H. F. No. 904, A bill for an act relating to human services; requiring notification to spouse of nursing home resident; amending Minnesota Statutes 1986, section 256B.48, by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Blatz	Cooper	Frerichs	Hugoson
Anderson, R.	Boo	Dauner	Greenfield	Jacobs
Battaglia	Burger	DeBlick	Gruenes	Jaros
Bauerly	Carlson, D.	Dempsey	Gutknecht	Jefferson
Beard	Carlson, L.	Dille	Hartle	Jennings
Begich	Carruthers	Dorn	Haukoos	Jensen
Bennett	Clark	Forsythe	Heap	Johnson, A.
Bertram	Clausnitzer	Frederick	Himle	Johnson, R.

Johnson, V.	McPherson	Orenstein	Rose	Thiede
Kahn	Milbert	Osthoff	Rukavina	Tjornhom
Kalis	Miller	Otis	Sarna	Tompkins
Kelly	Minne	Ozment	Schafer	Trimble
Kelso	Morrison	Pappas	Scheid	Tunheim
Kinkel	Munger	Pauly	Schoenfeld	Uphus
Kludt	Murphy	Pelowski	Schreiber	Valento
Knickerbocker	Nelson, C.	Peterson	Seaberg	Vanasek
Knuth	Nelson, D.	Poppenhagen	Segal	Vellenga
Krueger	Nelson, K.	Price	Shaver	Voss
Larsen	Neuenschwander	Quinn	Simoneau	Wagenius
Lasley	O'Connor	Quist	Skoglund	Waltman
Lieder	Ogren	Redalen	Solberg	Welle
Marsh	Olsen, S.	Reding	Sparby	Wenzel
McDonald	Olson, E.	Rest	Stanius	Winter
McEachern	Olson, K.	Rice	Steensma	Wynia
McKasy	Omann	Richter	Sviggum	Spk. Norton
McLaughlin	Onnen	Rodosovich	Swenson	

The bill was passed and its title agreed to.

S. F. No. 73 was reported to the House and given its third reading.

#### MOTION FOR RECONSIDERATION

Bishop moved that the action whereby S. F. No. 73 was given its third reading be now reconsidered. The motion prevailed.

Bishop moved to amend S. F. No. 73, as follows:

Page 1, line 19, after "take" insert "fish or"

The motion did not prevail and the amendment was not adopted.

S. F. No. 73, A bill for an act relating to game and fish; authorizing nonresident high school foreign exchange students to obtain resident licenses to take deer by archery; amending Minnesota Statutes 1986, section 97A.455.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 114 yeas and 10 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Brown	DeBlick	Gutknecht	Johnson, R.
Anderson, R.	Burger	Dempsey	Hartle	Johnson, V.
Battaglia	Carlson, D.	Dille	Heap	Kahn
Bauerly	Carlson, L.	Dorn	Himle	Kalis
Begich	Carruthers	Forsythe	Hugoson	Kelly
Bennett	Clark	Frederick	Jacobs	Kelso
Bertram	Clausnitzer	Frerichs	Jennings	Kinkel
Blatz	Cooper	Greenfield	Jensen	Kludt
Boo	Dauner	Gruenes	Johnson, A.	Knickerbocker

Knuth	Morrison	Pauly	Schreiber	Tompkins
Kostohryz	Munger	Pelowski	Seaberg	Trimble
Krueger	Murphy	Peterson	Segal	Tunheim
Larsen	Nelson, C.	Poppenhagen	Shaver	Uphus
Lasley	Nelson, D.	Price	Simoneau	Valento
Lieder	Neuenschwander	Redalen	Skoglund	Vellenga
Long	Ogren	Reding	Solberg	Voss
Marsh	Olsen, S.	Rest	Sparby	Wagenius
McDonald	Olson, E.	Richter	Stanis	Waltman
McKasy	Olson, K.	Rodosovich	Steensma	Welle
McLaughlin	Omann	Rose	Sviggum	Wenzel
McPherson	Onnen	Schafer	Swenson	Winter
Miller	Ozment	Scheid	Thiede	Spk. Norton
Minne	Pappas	Schoenfeld	Tjornhom	

Those who voted in the negative were:

Beard	Haukoos	Jefferson	Milbert	Sarna
Bishop	Jaros	McEachern	Orenstein	Wynia

The bill was passed and its title agreed to.

## CALENDAR

H. F. No. 947, A bill for an act relating to state lands; authorizing private sales of certain tax-forfeited land in St. Louis county.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Frederick	Kostohryz	Olson, K.	Schafer
Battaglia	Frerichs	Krueger	Omann	Scheid
Bauerly	Greenfield	Larsen	Onnen	Schoenfeld
Beard	Gruenes	Lasley	Orenstein	Schreiber
Begich	Gutknecht	Lieder	Osthoff	Seaberg
Bennett	Hartle	Long	Otis	Segal
Bertram	Haukoos	Marsh	Ozment	Shaver
Bishop	Heap	McDonald	Pappas	Simoneau
Blatz	Himle	McEachern	Pauly	Skoglund
Boo	Hugoson	McKasy	Pelowski	Solberg
Brown	Jacobs	McLaughlin	Peterson	Sparby
Burger	Jaros	McPherson	Poppenhagen	Stanis
Carlson, D.	Jennings	Milbert	Price	Steensma
Carlson, L.	Jensen	Miller	Quinn	Sviggum
Carruthers	Johnson, A.	Minne	Quist	Swenson
Clark	Johnson, R.	Morrison	Reding	Thiede
Clausnitzer	Johnson, V.	Munger	Rest	Tjornhom
Cooper	Kalis	Murphy	Rice	Tompkins
Dauner	Kelly	Nelson, C.	Richter	Trimble
DeBlicke	Kelso	Nelson, D.	Riveness	Tunheim
Dempsey	Kinkel	Nelson, K.	Rodosovich	Uphus
Dille	Kludt	Neuenschwander	Rose	Valento
Dorn	Knickerbocker	Ogren	Rukavina	Vanasek
Forsythe	Knuth	Olsen, S.	Sarna	Vellenga

Voss  
Wagenius

Waltman  
Welle

Wenzel  
Winter

Wynia  
Spk. Norton

Those who voted in the negative were:

Jefferson

Redalen

The bill was passed and its title agreed to.

H. F. No. 561, A bill for an act relating to government data; providing for access to data by protection and advocacy systems; amending Minnesota Statutes 1986, section 13.89.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gutknecht	Long	Otis	Skoglund
Battaglia	Hartle	Marsh	Ozment	Solberg
Bauerly	Haukoos	McDonald	Pappas	Sparby
Beard	Heap	McEachern	Pauly	Stanias
Begich	Himle	McKasy	Pelowski	Steensma
Bennett	Hugoson	McLaughlin	Peterson	Sviggum
Bertram	Jacobs	McPherson	Poppenhagen	Swenson
Blatz	Jaros	Milbert	Price	Thiede
Brown	Jefferson	Miller	Quinn	Tjornhom
Burger	Jennings	Minne	Quist	Tompkins
Carlson, D.	Jensen	Morrison	Redalen	Trimble
Carlson, L.	Johnson, A.	Munger	Reding	Tunheim
Carruthers	Johnson, R.	Murphy	Rest	Uphus
Clark	Johnson, V.	Nelson, C.	Rice	Valento
Clausnitzer	Kalis	Nelson, D.	Richter	Vanasek
Cooper	Kelly	Nelson, K.	Riveness	Vellenga
Dauner	Kelso	Neuenschwander	Rodosovich	Voss
DeBlicke	Kinkel	O'Connor	Rose	Wagenius
Dempsey	Kludt	Ogren	Rukavina	Waltman
Dille	Knickerbocker	Olsen, S.	Sarna	Welle
Dorn	Knuth	Olson, E.	Schafer	Wenzel
Forsythe	Kostohryz	Olson, K.	Scheid	Winter
Frederick	Krueger	Omann	Schoenfeld	Wynia
Frerichs	Larsen	Onnen	Schreiber	Spk. Norton
Greenfield	Lasley	Orenstein	Seaberg	
Gruenes	Lieder	Osthoff	Shaver	

The bill was passed and its title agreed to.

H. F. No. 1225, A bill for an act relating to employment; requiring certain employers to make available a plan of health care coverage to all employees; proposing coding for new law in Minnesota Statutes, chapter 177.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 72 yeas and 57 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Jefferson	McEachern	Otis	Solberg
Battaglia	Jennings	McLaughlin	Pappas	Swenson
Beard	Jensen	Minne	Peterson	Tompkins
Begich	Johnson, A.	Munger	Price	Trimble
Bishop	Johnson, R.	Murphy	Quinn	Vellenga
Carlson, D.	Kahn	Nelson, D.	Redalen	Voss
Carlson, L.	Kelly	Nelson, K.	Rice	Wagenius
Carruthers	Kinkel	Neuenschwander	Riveness	Welle
Clark	Kludt	O'Connor	Rodosovich	Wenzel
Cooper	Knuth	Ogren	Rukavina	Winter
Dorn	Larsen	Olsen, S.	Sarna	Wynia
Greenfield	Lasley	Olson, E.	Scheid	Spk. Norton
Gutknecht	Lieder	Olson, K.	Segal	
Jacobs	Long	Orenstein	Simoneau	
Jaros	Marsh	Osthoff	Skoglund	

Those who voted in the negative were:

Anderson, R.	Forsythe	Knickerbocker	Ozment	Stanius
Bauerly	Frederick	Kostohryz	Pelowski	Steensma
Bennett	Frerichs	Krueger	Poppenhagen	Sviggunn
Bertram	Gruenes	McDonald	Quist	Thiede
Blatz	Hartle	McKasy	Reding	Tjornhom
Boo	Haukoos	McPherson	Rest	Tunheim
Burger	Heap	Milbert	Richter	Uphus
Clausnitzer	Himle	Miller	Rose	Valento
Dauner	Hugoson	Morrison	Schafer	Waltman
DeBlick	Johnson, V.	Nelson, C.	Schoenfeld	
Dempsey	Kalis	Omann	Schreiber	
Dille	Kelso	Onnen	Sparby	

The bill was passed and its title agreed to.

H. F. No. 1267, A bill for an act relating to insurance; regulating investments of domestic companies; defining terms; providing additional investment authority; amending Minnesota Statutes 1986, section 60A.11, subdivisions 10 and 26.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Blatz	Clark	Dorn	Hartle
Battaglia	Boo	Clausnitzer	Forsythe	Haukoos
Bauerly	Brown	Cooper	Frederick	Heap
Beard	Burger	Dauner	Frerichs	Himle
Begich	Carlson, D.	DeBlick	Greenfield	Hugoson
Bennett	Carlson, L.	Dempsey	Gruenes	Jacobs
Bertram	Carruthers	Dille	Gutknecht	Jaros

Jefferson	Long	Olsen, S.	Richter	Swenson
Jennings	Marsh	Olson, E.	Riveness	Thiede
Jensen	McDonald	Olson, K.	Rodosovich	Tjornhom
Johnson, A.	McEachern	Omann	Rose	Tompkins
Johnson, R.	McKasy	Onnen	Rukavina	Trimble
Johnson, V.	McLaughlin	Orenstein	Sarna	Tunheim
Kahn	McPherson	Otis	Schafer	Uphus
Kalis	Milbert	Ozment	Schoenfeld	Valento
Kelly	Miller	Pauly	Schreiber	Vanasek
Kelso	Minne	Pelowski	Seaberg	Vellenga
Kinkel	Morrison	Peterson	Segal	Voss
Kludt	Munger	Poppenhagen	Shaver	Wagenius
Knickerbocker	Murphy	Price	Simoneau	Waltman
Knuth	Nelson, C.	Quinn	Skoglund	Welle
Kostohryz	Nelson, D.	Quist	Solberg	Wenzel
Krueger	Nelson, K.	Redalen	Sparby	Winter
Larsen	Neuenschwander	Reding	Stanisus	Wynia
Lasley	O'Connor	Rest	Steensma	Spk. Norton
Lieder	Ogren	Rice	Sviggum	

The bill was passed and its title agreed to.

H. F. No. 31, A bill for an act relating to labor; prohibiting the charging of a fee in connection with a job application; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 181.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Lieder	Orenstein	Shaver
Anderson, R.	Hartle	Long	Otis	Simoneau
Battaglia	Haukoos	Marsh	Ozment	Skoglund
Bauerly	Heap	McDonald	Pappas	Solberg
Beard	Himle	McEachern	Pauly	Sparby
Begich	Hugoson	McKasy	Pelowski	Stanisus
Bennett	Jacobs	McLaughlin	Peterson	Steensma
Bertram	Jaros	McPherson	Poppenhagen	Sviggum
Blatz	Jefferson	Milbert	Price	Swenson
Boo	Jensen	Miller	Quinn	Thiede
Burger	Johnson, A.	Minne	Quist	Tjornhom
Carlson, D.	Johnson, R.	Morrison	Redalen	Tompkins
Carlson, L.	Johnson, V.	Munger	Reding	Trimble
Carruthers	Kahn	Murphy	Rest	Tunheim
Clark	Kalis	Nelson, C.	Richter	Uphus
Clausnitzer	Kelly	Nelson, D.	Riveness	Valento
Cooper	Kelso	Nelson, K.	Rodosovich	Vanasek
Dauner	Kinkel	Neuenschwander	Rose	Vellenga
DeBlieck	Kludt	O'Connor	Rukavina	Voss
Dempsey	Knickerbocker	Ogren	Sarna	Wagenius
Dorn	Knuth	Olsen, S.	Schafer	Waltman
Forsythe	Kostohryz	Olson, E.	Schoenfeld	Welle
Frederick	Krueger	Olson, K.	Schreiber	Wenzel
Frerichs	Larsen	Omann	Seaberg	Winter
Greenfield	Lasley	Onnen	Segal	Wynia
				Spk. Norton

The bill was passed and its title agreed to.

H. F. No. 119, A bill for an act relating to employment; providing the option for certain employees at a state university to obtain state employee fringe benefits; amending Minnesota Statutes 1986, section 43A.27, by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 102 yeas and 22 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Hartle	Lieder	Onnen	Solberg
Anderson, R.	Haukoos	Long	Orenstein	Sparby
Battaglia	Heap	Marsh	Otis	Stanisus
Bauerly	Himle	McEachern	Pappas	Steensma
Beard	Jacobs	McKasy	Pelowski	Swenson
Begich	Jaros	McPherson	Peterson	Tompkins
Bennett	Jefferson	Milbert	Price	Trimble
Bertram	Jensen	Minne	Quinn	Tunheim
Brown	Johnson, A.	Morrison	Redalen	Uphus
Burger	Johnson, R.	Munger	Reding	Vanasek
Carlson, L.	Johnson, V.	Murphy	Rest	Vellenga
Carruthers	Kahn	Nelson, C.	Rice	Voss
Clark	Kalis	Nelson, D.	Riveness	Wagenius
Clausnitzer	Kelly	Nelson, K.	Rodosovich	Welle
Cooper	Kelso	Neuenschwander	Rukavina	Wenzel
Dauner	Kinkel	O'Connor	Sarna	Winter
DeBlieck	Kludt	Ogren	Schoenfeld	Wynia
Dorn	Knuth	Olsen, S.	Seaberg	Spk. Norton
Frederick	Kostohryz	Olson, E.	Segal	
Greenfield	Krueger	Olson, K.	Shaver	
Gruenes	Larsen	Omann	Simoneau	

Those who voted in the negative were:

Blatz	Hugoson	Ozment	Rose	Valento
Carlson, D.	Knickerbocker	Pauly	Schafer	Waltman
Forsythe	Lasley	Poppenhagen	Swiggum	
Frerichs	McDonald	Quist	Thiede	
Gutknecht	Miller	Richter	Tjornhom	

The bill was passed and its title agreed to.

H. F. No. 217, A bill for an act relating to traffic regulations; providing for the operation by police departments and sheriff's offices of specially marked vehicles for highway traffic law enforcement; amending Minnesota Statutes 1986, section 169.98, subdivision 1, and by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Hartle	Long	Ozment	Simoneau
Battaglia	Haukoos	Marsh	Pappas	Skoglund
Bauerly	Heap	McDonald	Pauly	Solberg
Beard	Himle	McEachern	Pelowski	Stanisus
Begich	Hugoson	McKasy	Peterson	Steensma
Bennett	Jacobs	McLaughlin	Poppenhagen	Sviggum
Bertram	Jaros	McPherson	Price	Swenson
Blatz	Jefferson	Milbert	Quinn	Thiede
Boo	Jennings	Miller	Quist	Tjornhom
Brown	Jensen	Minne	Redalen	Tompkins
Burger	Johnson, A.	Morrison	Reding	Trimble
Carlson, L.	Johnson, R.	Munger	Rest	Tunheim
Carruthers	Johnson, V.	Murphy	Rice	Uphus
Clark	Kahn	Nelson, C.	Richter	Valento
Clausnitzer	Kalis	Nelson, D.	Riveness	Vanasek
Cooper	Kelly	Nelson, K.	Rodosovich	Vellenga
DeBlicke	Kelso	Neuenschwander	Rose	Voss
Dempsey	Kinkel	O'Connor	Rukavina	Wagenius
Dille	Kludt	Ogren	Sarna	Waltman
Dorn	Knickerbocker	Olsen, S.	Schafer	Welle
Forsythe	Knuth	Olson, E.	Scheid	Wenzel
Frederick	Kostohryz	Olson, K.	Schoenfeld	Winter
Frerichs	Krueger	Omann	Schreiber	Wynia
Greenfield	Larsen	Onnen	Seaberg	Spk. Norton
Gruenes	Lasley	Orenstein	Segal	
Gutknecht	Lieder	Otis	Shaver	

Those who voted in the negative were:

Anderson, R.      Carlson, D.

The bill was passed and its title agreed to.

H. F. No. 532, A bill for an act relating to public safety; motorized bicycles; establishing standards for the safe operation of motorized bicycles; amending Minnesota Statutes 1986, sections 65B.001, by adding a subdivision; 65B.43, subdivision 13; 168.011, subdivision 27; 169.01, subdivision 4a; 169.223; 171.01, subdivision 20; and 171.02, subdivision 3.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, G.	Begich	Brown	Clark	Dille
Anderson, R.	Bennett	Burger	Clausnitzer	Dorn
Battaglia	Bertram	Carlson, D.	Cooper	Forsythe
Bauerly	Blatz	Carlson, L.	Dauner	Frederick
Beard	Boo	Carruthers	DeBlicke	Frerichs



Greenfield	Knuth	Neuenschwander	Rest	Swenson
Gruenes	Kostohryz	O'Connor	Rice	Thiede
Gutknecht	Krueger	Ogren	Richter	Tjornhom
Hartle	Larsen	Olsen, S.	Riveness	Tompkins
Haukoos	Lasley	Olson, E.	Rodosovich	Trimble
Heap	Lieder	Olson, K.	Rose	Tunheim
Himle	Long	Omman	Rukavina	Uphus
Hugoson	Marsh	Onnen	Sarna	Valento
Jacobs	McDonald	Orenstein	Schafer	Vanasek
Jaros	McEachern	Osthoff	Scheid	Vellenga
Jefferson	McKasy	Otis	Schoenfeld	Voss
Jensen	McLaughlin	Ozment	Schreiber	Wagenius
Johnson, A.	McPherson	Pappas	Seaberg	Waltman
Johnson, R.	Milbert	Pauly	Segal	Welle
Johnson, V.	Miller	Pelowski	Shaver	Wenzel
Kahn	Minne	Peterson	Simoneau	Winter
Kalis	Morrison	Poppenhagen	Skoglund	Wynia
Kelly	Munger	Price	Solberg	Spk. Norton
Kelso	Murphy	Quinn	Sparby	
Kinkel	Nelson, C.	Quist	Stanius	
Kludt	Nelson, D.	Redalen	Steensma	
Knickerbocker	Nelson, K.	Reding	Sviggum	

Those who voted in the negative were:

Dempsey

The bill was passed and its title agreed to.

H. F. No. 642, A bill for an act relating to human services; prohibiting licensing of supportive living residences; requiring monitoring of facilities; providing for various levels of care for persons with mental illness; directing the commissioner of human services to review and alter rules relating to residential care facilities for persons with mental illness; requiring study of housing needs for persons with mental illness; prohibiting payment to newly-licensed facilities having more than four residents with mental illness; amending Minnesota Statutes 1986, sections 245.802, subdivision 1a, and by adding subdivisions; 256D.01, by adding a subdivision; and 256D.37, by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, G.	Blatz	Cooper	Greenfield	Jaros
Anderson, R.	Boo	Dauner	Gruenes	Jefferson
Battaglia	Brown	DeBlick	Gutknecht	Jennings
Bauerly	Burger	Dempsey	Hartle	Jensen
Beard	Carlson, D.	Dille	Haukoos	Johnson, A.
Begich	Carlson, L.	Dorn	Heap	Johnson, R.
Bennett	Carruthers	Forsythe	Himle	Johnson, V.
Bertram	Clark	Frederick	Hugoson	Kahn
Bishop	Clausnitzer	Frerichs	Jacobs	Kalis

Kelly	Milbert	Ozment	Sarna	Tompkins
Kelso	Miller	Pappas	Schafer	Trimble
Kinkel	Minne	Pauly	Scheid	Tunheim
Kludt	Morrison	Pelowski	Schoenfeld	Uphus
Knickerbocker	Munger	Peterson	Schreiber	Valento
Knuth	Murphy	Poppenhagen	Seaberg	Vanasek
Kostohryz	Nelson, C.	Price	Segal	Vellenga
Krueger	Nelson, D.	Quinn	Shaver	Voss
Larsen	Nelson, K.	Quist	Simoneau	Wagenius
Lasley	Neuenschwander	Redalen	Skoglund	Waltman
Lieder	O'Connor	Reding	Solberg	Welle
Long	Ogren	Rest	Sparby	Wenzel
Marsh	Olsen, S.	Rice	Stanis	Winter
McDonald	Olson, K.	Richter	Steensma	Wynia
McEachern	Omann	Riveness	Sviggum	Spk. Norton
McKasy	Orenstein	Rodosovich	Swenson	
McLaughlin	Osthoff	Rose	Thiede	
McPherson	Otis	Rukavina	Tjornhom	

Those who voted in the negative were:

Onnen

The bill was passed and its title agreed to.

H. F. No. 1054, A bill for an act relating to vocational rehabilitation; limiting grants to sheltered workshops; providing for use of community-based employment; regulating and defining vocational rehabilitation programs; amending Minnesota Statutes 1986, sections 129A.01; 129A.03; 129A.06; 129A.07; and 129A.08.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Dempsey	Johnson, V.	Miller	Pauly
Anderson, R.	Dille	Kalis	Minne	Pelowski
Battaglia	Dorn	Kelly	Morrison	Peterson
Bauerly	Forsythe	Kelso	Munger	Poppenhagen
Beard	Frederick	Kinkel	Murphy	Price
Begich	Frerichs	Kludt	Nelson, C.	Quinn
Bennett	Greenfield	Knickerbocker	Nelson, D.	Quist
Bertram	Gruenes	Knuth	Nelson, K.	Redalen
Bishop	Gutknecht	Kostohryz	Neuenschwander	Reding
Blatz	Hartle	Krueger	O'Connor	Rest
Boo	Haukoos	Larsen	Ogren	Rice
Brown	Heap	Lasley	Olsen, S.	Richter
Burger	Himle	Lieder	Olson, E.	Riveness
Carlson, D.	Hugoson	Long	Olson, K.	Rodosovich
Carlson, L.	Jacobs	Marsh	Omann	Rose
Carruthers	Jaros	McDonald	Onnen	Rukavina
Clark	Jefferson	McEachern	Orenstein	Sarna
Clausnitzer	Jennings	McKasy	Osthoff	Schafer
Cooper	Jensen	McLaughlin	Otis	Scheid
Dauner	Johnson, A.	McPherson	Ozment	Schoenfeld
DeBlieck	Johnson, R.	Milbert	Pappas	Schreiber

Seaberg	Sparby	Tjornhom	Vanasek	Wenzel
Segal	Stanisus	Tompkins	Vellenga	Winter
Shaver	Steensma	Trimble	Voss	Wynia
Simoneau	Swigum	Tunheim	Wagenius	Spk. Norton
Skoglund	Swenson	Uphus	Waltman	
Solberg	Thiede	Valento	Welle	

The bill was passed and its title agreed to.

H. F. No. 1112, A bill for an act relating to human services; defining directors, officers, and partners as vendors of medical care for the purpose of medical assistance; allowing the commissioner to charge interest on money recovered from certain medical assistance providers; allowing sanction authority; amending Minnesota Statutes 1986, sections 256B.02, subdivision 7; 256B.064, subdivision 1c; and 256B.27, subdivisions 3 and 4.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Lieder	Otis	Simoneau
Anderson, R.	Gutknecht	Long	Ozment	Skoglund
Battaglia	Hartle	Marsh	Pappas	Solberg
Bauerly	Haukoos	McDonald	Pauly	Sparby
Beard	Heap	McEachern	Pelowski	Stanisus
Begich	Himle	McKasy	Peterson	Steensma
Bennett	Hugoson	McLaughlin	Poppenhagen	Swigum
Bertram	Jacobs	McPherson	Price	Swenson
Bishop	Jaros	Milbert	Quinn	Thiede
Blatz	Jefferson	Miller	Quist	Tjornhom
Brown	Jennings	Minne	Redalen	Trimble
Burger	Jensen	Morrison	Reding	Tunheim
Carlson, D.	Johnson, A.	Munger	Rest	Uphus
Carlson, L.	Johnson, R.	Murphy	Rice	Valento
Carruthers	Johnson, V.	Nelson, C.	Richter	Vanasek
Clark	Kahn	Nelson, D.	Riveness	Vellenga
Clausnitzer	Kalis	Nelson, K.	Rodosovich	Voss
Cooper	Kelly	Neuenschwander	Rose	Wagenius
Dauner	Kelso	O'Connor	Rukavina	Waltman
DeBlicke	Kinkel	Ogren	Sarna	Welle
Dempsey	Kludt	Olsen, S.	Schafer	Wenzel
Dille	Knickerbocker	Olson, E.	Scheid	Winter
Dorn	Knuth	Olson, K.	Schoenfeld	Wynia
Forsythe	Kostohryz	Omann	Schreiber	Spk. Norton
Frederick	Krueger	Onnen	Seaberg	
Frerichs	Larsen	Orenstein	Segal	
Greenfield	Lasley	Osthoff	Shaver	

The bill was passed and its title agreed to.

H. F. No. 1120, A bill for an act relating to grain grading and testing; providing that state grades and test results may be the basis

for market price; amending Minnesota Statutes 1986, section 17B.05.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Lieder	Otis	Simoneau
Anderson, R.	Gutknecht	Long	Ozment	Skoglund
Battaglia	Hartle	Marsh	Pappas	Solberg
Bauerly	Haukoos	McDonald	Pauly	Sparby
Beard	Heap	McEachern	Pelowski	Stanisus
Begich	Himle	McKasy	Peterson	Steensma
Bennett	Hugoson	McLaughlin	Poppenhagen	Sviggum
Bertram	Jacobs	McPherson	Price	Swenson
Bishop	Jaros	Milbert	Quinn	Thiede
Blatz	Jefferson	Miller	Quist	Tjornhom
Boo	Jennings	Minne	Redalen	Tompkins
Brown	Jensen	Morrison	Reding	Trimble
Burger	Johnson, A.	Munger	Rest	Uphus
Carlson, D.	Johnson, R.	Murphy	Rice	Valento
Carlson, L.	Johnson, V.	Nelson, C.	Richter	Vanasek
Carruthers	Kahn	Nelson, D.	Riveness	Vellenga
Clark	Kalis	Nelson, K.	Rodosovich	Voss
Clausnitzer	Kelly	Neuenschwander	Rose	Wagenius
Cooper	Kelso	O'Connor	Rukavina	Waltman
Dauner	Kinkel	Ogren	Sarna	Welle
DeBlick	Kludt	Olsen, S.	Schafer	Wenzel
Dempsey	Knickerbocker	Olson, E.	Scheid	Winter
Dorn	Knuth	Olson, K.	Schoenfeld	Wynia
Forsythe	Kostohryz	Omann	Schreiber	Spk. Norton
Frederick	Krueger	Onnen	Seaberg	
Frerichs	Larsen	Orenstein	Segal	
Greenfield	Lasley	Osthoff	Shaver	

The bill was passed and its title agreed to.

H. F. No. 1170, A bill for an act relating to state government; prohibiting certain mandated leaves of absence for state employees; amending Minnesota Statutes 1986, section 43A.32, subdivision 2, and by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Bauerly	Bennett	Blatz	Burger
Anderson, R.	Beard	Bertram	Boo	Carlson, D.
Battaglia	Begich	Bishop	Brown	Carlson, L.

Carruthers	Jensen	Milbert	Peterson	Solberg
Clark	Johnson, A.	Miller	Poppenhagen	Sparby
Clausnitzer	Johnson, R.	Minne	Price	Stanius
Cooper	Johnson, V.	Morrison	Quinn	Steensma
Dauner	Kahn	Munger	Quist	Svigum
DeBlieck	Kalis	Murphy	Redalen	Swenson
Dempsey	Kelly	Nelson, C.	Reding	Thiede
Dille	Kelso	Nelson, D.	Rest	Tjornhom
Dorn	Kinkel	Nelson, K.	Rice	Tompkins
Forsythe	Kludt	Neuenschwander	Richter	Trimble
Frederick	Knickerbocker	O'Connor	Riveness	Tunheim
Frerichs	Knuth	Ogren	Rodosovich	Uphus
Greenfield	Kostohryz	Olsen, S.	Rose	Valento
Gruenes	Krueger	Olson, E.	Rukavina	Vanasek
Gutknecht	Larsen	Olson, K.	Sarna	Vellenga
Hartle	Lasley	Omann	Schafer	Voss
Haukoos	Lieder	Onnen	Scheid	Wagenius
Heap	Long	Orenstein	Schoenfeld	Waltman
Himle	Marsh	Osthoff	Schreiber	Welle
Hugoson	McDonald	Otis	Seaberg	Wenzel
Jacobs	McEachern	Ozment	Segal	Winter
Jaros	McKasy	Pappas	Shaver	Wynia
Jefferson	McLaughlin	Pauly	Simoneau	Spk. Norton
Jennings	McPherson	Pelowski	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 1213, A bill for an act relating to retirement; teachers retirement association; making various changes in the law governing the association for the purpose of facilitating administration of retirement benefits and contributions; amending Minnesota Statutes 1986, sections 354.05, subdivision 35, and by adding a subdivision; 354.06, subdivision 1; 354.07, subdivision 3; 354.094, subdivision 1; 354.44, subdivision 5; 354.46, subdivision 5; 354.48, subdivision 7; 354.51, subdivision 5; 354.55, subdivision 11; 354.62, subdivision 5, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 13; repealing Minnesota Statutes 1986, section 354.44, subdivision 1a.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Burger	Forsythe	Jaros	Kludt
Anderson, R.	Carlson, D.	Frederick	Jefferson	Knickerbocker
Battaglia	Carlson, L.	Frerichs	Jennings	Knuth
Bauerly	Carruthers	Greenfield	Jensen	Kostohryz
Beard	Clark	Gruenes	Johnson, A.	Krueger
Begich	Clausnitzer	Gutknecht	Johnson, R.	Larsen
Bennett	Cooper	Hartle	Johnson, V.	Lasley
Bertram	Dauner	Haukoos	Kahn	Lieder
Bishop	DeBlieck	Heap	Kalis	Long
Blatz	Dempsey	Himle	Kelly	Marsh
Boo	Dille	Hugoson	Kelso	McDonald
Brown	Dorn	Jacobs	Kinkel	McEachern

McKasy	Olsen, S.	Quinn	Schreiber	Trimble
McLaughlin	Olson, E.	Quist	Seaberg	Tunheim
McPherson	Olson, K.	Redalen	Segal	Uphus
Milbert	Omann	Reding	Shaver	Valento
Miller	Onnen	Rest	Simoneau	Vanasek
Minne	Orenstein	Rice	Skoglund	Vellenga
Morrison	Osthoff	Richter	Solberg	Voss
Munger	Otis	Riveness	Sparby	Wagenius
Murphy	Ozment	Rodosovich	Stanis	Waltman
Nelson, C.	Pappas	Rose	Steensma	Welle
Nelson, D.	Pauly	Rukavina	Sviggum	Wenzel
Nelson, K.	Pelowski	Sarna	Swenson	Winter
Neuenschwander	Peterson	Schafer	Thiede	Wynia
O'Connor	Poppenhagen	Scheid	Tjornhom	Spk. Norton
Ogren	Price	Schoenfeld	Tompkins	

The bill was passed and its title agreed to.

H. F. No. 170, A bill for an act relating to firearms; allowing ammunition manufacturers to possess machine guns for ammunition testing purposes; permitting certain licensed dealers and manufacturers to own or possess machine guns and short-barreled shotguns for certain purposes; amending Minnesota Statutes 1986, section 609.67, subdivisions 3 and 4.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 120 yeas and 9 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Frerichs	Kostohryz	Omann	Schreiber
Anderson, R.	Greenfield	Krueger	Onnen	Seaberg
Battaglia	Gruenes	Larsen	Orenstein	Shaver
Bauerly	Gutknecht	Lasley	Osthoff	Simoneau
Beard	Hartle	Lieder	Otis	Solberg
Begich	Haukoos	Long	Ozment	Sparby
Bennett	Himle	Marsh	Pauly	Stanis
Bertram	Hugoson	McDonald	Pelowski	Steensma
Blatz	Jacobs	McEachern	Peterson	Sviggum
Boo	Jaros	McKasy	Poppenhagen	Swenson
Brown	Jefferson	McPherson	Price	Thiede
Burger	Jennings	Miller	Quinn	Tjornhom
Carlson, D.	Jensen	Minne	Quist	Tompkins
Carlson, L.	Johnson, A.	Munger	Redalen	Tunheim
Carruthers	Johnson, R.	Murphy	Reding	Uphus
Clausnitzer	Johnson, V.	Nelson, C.	Rest	Valento
Cooper	Kahn	Nelson, D.	Richter	Vanasek
Dauner	Kalis	Nelson, K.	Riveness	Vellenga
DeBlick	Kelly	Neuenschwander	Rodosovich	Voss
Dempsey	Kelso	O'Connor	Rose	Wagenius
Dille	Kinkel	Ogren	Rukavina	Waltman
Dorn	Kludt	Olsen, S.	Sarna	Welle
Forsythe	Knickerbocker	Olson, E.	Schafer	Wenzel
Frederick	Knuth	Olson, K.	Schoenfeld	Winter

Those who voted in the negative were:

Bishop Clark	Milbert Pappas	Rice Scheid	Segal Skoglund	Wynia
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The bill was passed and its title agreed to.

H. F. No. 457, A bill for an act relating to retirement; public employees retirement association administrative changes; privacy of certain membership data; amending Minnesota Statutes 1986, sections 353.01, subdivisions 2b and 20; 353.03, subdivision 3; 353.27, subdivisions 4, 10, and 12; 353.28, subdivision 5; 353.29, subdivision 8; 353.33, by adding a subdivision; 353.34, by adding a subdivision; 353.36, subdivision 2; 353.64, subdivisions 1 and 2; 353.656, subdivision 6, and by adding a subdivision; and 353.657; proposing coding for new law in Minnesota Statutes, chapter 13; repealing Minnesota Statutes 1986, section 353.64, subdivision 6.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Lasley	Osthoff	Shaver
Anderson, R.	Gruenes	Lieder	Otis	Simoneau
Battaglia	Gutknecht	Long	Ozment	Skoglund
Bauerly	Hartle	Marsh	Pappas	Solberg
Beard	Haukoos	McDonald	Pauly	Sparby
Begich	Heap	McEachern	Pelowski	Stanisus
Bennett	Himle	McKasy	Peterson	Steensma
Bertram	Hugoson	McLaughlin	Poppenhagen	Sviggrum
Bishop	Jacobs	McPherson	Price	Swenson
Blatz	Jaros	Milbert	Quinn	Thiede
Boo	Jefferson	Miller	Quist	Tjornhom
Brown	Jennings	Minne	Redalen	Tompkins
Burger	Jensen	Morrison	Reding	Trimble
Carlson, D.	Johnson, A.	Munger	Rest	Tunheim
Carlson, L.	Johnson, R.	Murphy	Rice	Uphus
Carruthers	Johnson, V.	Nelson, C.	Richter	Valento
Clark	Kahn	Nelson, D.	Riveness	Vanasek
Clausnitzer	Kalis	Nelson, K.	Rodosovich	Vellenga
Cooper	Kelly	Neuenschwander	Rose	Voss
Dauner	Kelso	O'Connor	Rukavina	Wagenius
DeBlicck	Kinkel	Ogren	Sarna	Waltman
Dempsey	Kludt	Olsen, S.	Schafer	Welle
Dille	Knickerbocker	Olson, E.	Scheid	Wenzel
Dorn	Knuth	Olson, K.	Schoenfeld	Winter
Forsythe	Kostohryz	Omann	Schreiber	Wynia
Frederick	Krueger	Onnen	Seaberg	Spk. Norton
Frerichs	Larsen	Orenstein	Segal	

The bill was passed and its title agreed to.

H. F. No. 596; A bill for an act relating to jails; providing for the detention and confinement of minors subject to prosecution as adults; amending Minnesota Statutes 1986, sections 636.07 and 641.14.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, G.	Frerichs	Krueger	Omann	Shaver
Anderson, R.	Greenfield	Larsen	Onnen	Simoneau
Battaglia	Gruenes	Lasley	Orenstein	Skoglund
Bauerly	Gutknecht	Lieder	Otis	Solberg
Beard	Hartle	Long	Ozment	Sparby
Begich	Haukoos	Marsh	Pappas	Stanisus
Bennett	Heap	McDonald	Pauly	Steensma
Bertram	Himle	McEachern	Pelowski	Svigum
Bishop	Hugoson	McKasy	Peterson	Swenson
Blatz	Jacobs	McLaughlin	Poppenhagen	Thiede
Boo	Jaros	McPherson	Price	Tjornhom
Brown	Jefferson	Milbert	Quinn	Tompkins
Burger	Jennings	Miller	Quist	Trimble
Carlson, D.	Jensen	Minne	Redalen	Tunheim
Carlson, L.	Johnson, A.	Morrison	Reding	Uphus
Carruthers	Johnson, R.	Munger	Rice	Valento
Clark	Johnson, V.	Murphy	Richter	Vanasek
Clausnitzer	Kahn	Nelson, C.	Rose	Vellenga
Cooper	Kalis	Nelson, D.	Rukavina	Voss
Dauner	Kelly	Nelson, K.	Sarna	Waltman
DeBlick	Kelso	Neuenschwander	Schafer	Welle
Dempsey	Kinkel	O'Connor	Scheid	Wenzel
Dille	Kludt	Ogren	Schoenfeld	Winter
Dorn	Knickerbocker	Olsen, S.	Schreiber	Wynia
Forsythe	Knuth	Olson, E.	Seaberg	Spk. Norton
Frederick	Kostohryz	Olson, K.	Segal	

Those who voted in the negative were:

Rodosovich

The bill was passed and its title agreed to.

H. F. No. 1009, A bill for an act relating to transportation; providing for standards for special transportation service; requiring changes in the administration of special transportation service in the metropolitan area; amending Minnesota Statutes 1986, sections 174.30, subdivisions 1, 2, 4, 6, 7, and by adding subdivisions; 473.386, subdivisions 1, 2, 3, 4, and 6; repealing Minnesota Statutes 1986, section 473.386, subdivision 7.

The bill was read for the third time and placed upon its final passage.



The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Lasley	Osthoff	Simoneau
Anderson, R.	Gruenes	Lieder	Ozment	Skoglund
Battaglia	Gutknecht	Long	Pappas	Solberg
Bauerly	Hartle	Marsh	Pauly	Sparby
Beard	Haukoos	McDonald	Pelowski	Stanisus
Begich	Heap	McEachern	Peterson	Steensma
Bennett	Himle	McKasy	Poppenhagen	Sviggum
Bertram	Hugoson	McLaughlin	Price	Swenson
Bishop	Jacobs	McPherson	Quinn	Thiede
Blatz	Jaros	Milbert	Quist	Tjornhom
Boo	Jefferson	Miller	Redalen	Tompkins
Brown	Jennings	Minne	Reding	Trimble
Burger	Jensen	Morrison	Rest	Tunheim
Carlson, D.	Johnson, A.	Munger	Rice	Uphus
Carlson, L.	Johnson, R.	Murphy	Richter	Valento
Carruthers	Johnson, V.	Nelson, C.	Riveness	Vellenga
Clark	Kahn	Nelson, D.	Rodosovich	Voss
Clausnitzer	Kalis	Nelson, K.	Rose	Wagenius
Cooper	Kelly	Neuenschwander	Rukavina	Waitman
Dauner	Kelso	O'Connor	Sarna	Welle
DeBlieck	Kinkel	Ogren	Schafer	Wenzel
Dempsey	Kludt	Olsen, S.	Scheid	Winter
Dille	Knickerbocker	Olson, E.	Schoenfeld	Wynia
Dorn	Knuth	Olson, K.	Schreiber	Spk. Norton
Forsythe	Kostohryz	Omann	Seaberg	
Frederick	Krueger	Onnen	Segal	
Frerichs	Larsen	Orenstein	Shaver	

The bill was passed and its title agreed to.

## GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Norton in the Chair for consideration of bills pending on General Orders of the day. Long and Simoneau presided during a portion of the meeting of the Committee of the Whole. After some time spent therein the Committee arose.

### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 999, 1141 and 846 were recommended to pass.

H. F. Nos. 490 and 715 were recommended for progress.

H. F. Nos. 454, 654 and 1060 were recommended for progress retaining their places on General Orders.

H. F. No. 649 was recommended for progress and to be placed at the end of General Orders.

H. F. No. 397 was recommended for re-referral to the Committee on Regulated Industries.

H. F. No. 487 was recommended for progress until Wednesday, April 22, 1987.

H. F. No. 291 was recommended for progress retaining its place on General Orders until Thursday, April 23, 1987.

H. F. No. 85 was recommended for progress until Thursday, April 23, 1987.

H. F. No. 189 was recommended for progress retaining its place on General Orders until Monday, April 27, 1987.

H. F. No. 401, the third engrossment, which it recommended for progress with the following amendment offered by Nelson, D.:

Page 6, line 22, delete "subdivision 4" and insert "subdivisions 3 to 6"

Page 6, line 24, delete "six" and insert "five"

Page 6, lines 26 and 27, delete "subdivisions 1 to 6" and insert "subdivision 3 or 4"

On the motion of Vanasek the report of the Committee of the Whole was adopted.

#### ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll calls were taken in the Committee of the Whole:

The question was taken on the Redalen motion to re-refer H. F. No. 397, the first engrossment, to the Committee on Regulated Industries and the roll was called. There were 57 yeas and 66 nays as follows:

Those who voted in the affirmative were:

Bertram	Dille	Haukoos	Krueger	Olson, E.
Blatz	Forsythe	Heap	Marsh	Olson, K.
Burger	Frederick	Himle	McKasy	Omann
Carlson, D.	Frerichs	Hugoson	McPherson	Onnen
Clausnitzer	Gruenes	Johnson, V.	Miller	Orenstein
Cooper	Gutknecht	Knickerbocker	Morrison	Pauly
Dempsey	Hartle	Kostohryz	O'Connor	Poppenhagen

Quist	Schafer	Skoglund	Tompkins	Waltman
Redalen	Schreiber	Svigum	Tunheim	Wenzel
Richter	Seaberg	Swenson	Uphus	
Rose	Segal	Thiede	Valento	
Sarna	Shaver	Tjornhom	Vellenga	

Those who voted in the negative were:

Anderson, G.	Dorn	Lieder	Otis	Sparby
Anderson, R.	Greenfield	Long	Pappas	Stamius
Battaglia	Jacobs	McLaughlin	Pelowski	Steenasma
Bauerly	Jefferson	Milbert	Peterson	Trimble
Beard	Jennings	Minne	Price	Vanasek
Begich	Jensen	Munger	Quinn	Voss
Bishop	Johnson, R.	Murphy	Reding	Wagenius
Boo	Kahn	Nelson, C.	Rest	Winter
Brown	Kalis	Nelson, D.	Rice	Wynia
Carlson, L.	Kelso	Nelson, K.	Rodosovich	Spk. Norton
Carruthers	Kinkel	Neuenschwander	Rukavina	
Clark	Kludt	Ogren	Scheid	
Dauner	Larsen	Olsen, S.	Schoenfeld	
DeBlieck	Lasley	Osthoff	Simoneau	

The motion did not prevail.

Kahn moved to amend H. F. No. 397, the first engrossment, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 340A.504, subdivision 1, is amended to read:

Subdivision 1. [NONINTOXICATING MALT LIQUOR.] No sale of nonintoxicating malt liquor may be made between 1:00 a.m., except as provided in section 5, and 8:00 a.m. on the days of Monday through Saturday, nor between 1:00 a.m., except as provided in section 5, and 12:00 noon on Sunday, provided that an establishment located on land owned by the metropolitan sports commission may sell nonintoxicating malt liquor between 10:00 a.m. and 12:00 noon on a Sunday on which a sports or other event is scheduled to begin at that location on or before 1:00 p.m. of that day.

Sec. 2. Minnesota Statutes 1986, section 340A.504, subdivision 2, is amended to read:

Subd. 2. [INTOXICATING LIQUOR; ON-SALE.] No sale of intoxicating liquor for consumption on the licensed premises may be made:

(1) between 1:00 a.m., except as provided in section 5, and 8:00 a.m. on the days of Tuesday Monday through Saturday;

(2) between 12:00 midnight and 8:00 a.m. on Mondays;

(3) after 1:00 a.m. on Sundays, except as provided by subdivision 3 and section 5;

(4) (3) between 8:00 p.m. on December 24 and 8:00 a.m. on December 25, except as provided by subdivision 3.

Sec. 3. Minnesota Statutes 1986, section 340A.504, subdivision 3, is amended to read:

Subd. 3. [INTOXICATING LIQUOR; SUNDAY SALES; ON-SALE.] (a) A restaurant, club, or hotel with a seating capacity for at least 30 persons and which holds an on-sale intoxicating liquor license may sell intoxicating liquor for consumption on the premises in conjunction with the sale of food between the hours of 12:00 noon on Sunday and ~~12:00 midnight on Sundays~~ 1:00 a.m. on Monday, except as provided in section 5.

(b) The governing body of a municipality may after one public hearing by ordinance permit a restaurant, hotel, or club to sell intoxicating liquor for consumption on the premises in conjunction with the sale of food between the hours of 10:00 a.m. on Sunday and ~~12:00 midnight on Sundays~~ 1:00 a.m. on Monday, except as provided in section 5, provided that the licensee is in conformance with the Minnesota clean air act.

(c) An establishment serving intoxicating liquor on Sundays must obtain a Sunday license. The license must be issued by the governing body of the municipality for a period of one year, and the fee for the license may not exceed \$200.

(d) A municipality may issue a Sunday intoxicating liquor license only if authorized to do so by the voters of the municipality voting on the question at a general or special election.

(e) An election conducted in a town on the question of the issuance by the county of Sunday sales licenses to establishments located in the town must be held on the day of the annual election of town officers.

(f) Voter approval is not required for licenses issued by the metropolitan airports commission or common carrier licenses issued by the commissioner. Common carriers serving intoxicating liquor on Sunday must obtain a Sunday license from the commissioner at an annual fee of \$50, plus \$5 for each duplicate.

Sec. 4. Minnesota Statutes 1986, section 340A.504, subdivision 6, is amended to read:

Subd. 6. [MUNICIPALITIES MAY LIMIT HOURS.] A municipality may further limit the hours of sale of alcoholic beverages,

provided that further restricted hours must apply equally to sales of nonintoxicating malt liquor and intoxicating liquor. A city may not permit the sale of alcoholic beverages during hours when the sale is prohibited by this section, except as provided in section 5.

Sec. 5. [349.5051] [LICENSE FOR SALE DURING PROHIBITED HOURS.]

Subdivision 1. [LICENSES AUTHORIZED.] A city or county may by ordinance after a public hearing issue to a holder of an on-sale alcoholic beverage license it issues an additional license authorizing the licensee to make on-sales between the hours of 1:00 and 2:00 a.m. and to permit the consumption of alcoholic beverages not later than 3:00 a.m. The license is in addition to the number authorized by section 340A.413. The fee for the license may not exceed one-tenth of the fee the city or county charges for the licensee's on-sale license.

Subd. 2. [ORDINANCES.] An ordinance under subdivision 1 must contain at a minimum the following requirements for holders of licenses under this section:

(1) The licensee must have on duty at all times during hours when making sales or permitting consumption under the license issued under this section at least one employee whom the city or county has certified as having successfully completed a server-training program which has been certified by the city or county as providing adequate training for servers in

- (a) recognizing signs of intoxication,
- (b) skills in intervention to prevent intoxication,
- (c) knowledge of state laws governing licensee responsibilities,
- (d) knowledge of alcohol effects, and
- (e) methods of avoiding making illegal sales.

(2) the licensee must adopt and maintain in continuous effect during the hours when making sales or permitting consumption under the license authorized under this section a policy, approved by the city or county, of promoting the sale or consumption of food and nonalcoholic beverages at least to the same extent that the licensee promotes the sale or consumption of alcoholic beverages."

Delete the title and insert:

"A bill for an act relating to alcoholic beverages; authorizing cities and counties to issue licenses permitting on-sales of alcoholic

beverages during certain hours when on-sales are otherwise prohibited; amending Minnesota Statutes 1986, section 340A.504, subdivisions 1, 2, 3, and 6; proposing coding for new law in Minnesota Statutes, chapter 340A."

The question was taken on the Kahn amendment and the roll was called. There were 36 yeas and 88 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Jensen	McDonald	Osthoff	Trimble
Battaglia	Johnson, R.	McLaughlin	Otis	Vanasek
Beard	Kahn	Minne	Pappas	Wynia
Bishop	Kinkel	Munger	Quinn	Spk. Norton
Boo	Kostohryz	Murphy	Rukavina	
Dille	Larsen	Nelson, K.	Sarna	
Greenfield	Lasley	O'Connor	Scheid	
Jefferson	Long	Ogren	Swenson	

Those who voted in the negative were:

Anderson, G.	Gruenes	McEachern	Poppenhagen	Skoglund
Bauerly	Gutknecht	McKasy	Price	Sparby
Bennett	Hartie	McPherson	Quist	Stanis
Bertram	Haukoos	Miller	Redalen	Steensma
Blatz	Heap	Morrison	Reding	Sviggum
Brown	Himle	Nelson, C.	Rest	Thiede
Burger	Hugoson	Nelson, D.	Rice	Tjornhom
Carlson, D.	Jennings	Neuenschwander	Richter	Tunheim
Carlson, L.	Johnson, A.	Olsen, S.	Riveness	Uphus
Clausnitzer	Johnson, V.	Olson, E.	Rodosovich	Valento
Cooper	Kalis	Olson, K.	Rose	Vellenga
Dauner	Kelly	Omman	Schafer	Wagenius
DeBlieck	Kelso	Onnen	Schoenfeld	Waltman
Dempsey	Kludt	Orenstein	Schreiber	Welle
Dorn	Knickerbocker	Ozment	Seaberg	Wenzel
Forsythe	Krueger	Pauly	Segal	Winter
Frederick	Lieder	Pelowski	Shaver	
Frerichs	Marsh	Peterson	Simoneau	

The motion did not prevail and the amendment was not adopted.

The question was taken on the motion to recommend passage of H. F. No. 401, the third engrossment, as amended, and the roll was called. There were 54 yeas and 68 nays as follows:

Those who voted in the affirmative were:

Battaglia	Johnson, R.	Munger	Peterson	Skoglund
Beard	Kahn	Murphy	Price	Swenson
Begich	Kelly	Nelson, D.	Quinn	Trimble
Carlson, L.	Kinkel	Nelson, K.	Quist	Vanasek
Carruthers	Kludt	O'Connor	Reding	Vellenga
Clark	Knuth	Olsen, S.	Rest	Voss
Greenfield	Kostohryz	Orenstein	Rice	Wagenius
Gruenes	Larsen	Osthoff	Riveness	Winter
Jacobs	Lasley	Otis	Rukavina	Wynia
Jefferson	Long	Ozment	Scheid	Spk. Norton
Johnson, A.	McLaughlin	Pappas	Simoneau	

## Those who voted in the negative were:

Anderson, R.	Dille	Kalis	Omamn	Stanius
Bauerly	Dorn	Knickerbocker	Onnen	Steensma
Bennett	Forsythe	Krueger	Pelowski	Sviggum
Bertram	Frederick	Marsh	Poppenhagen	Thiede
Blatz	Frerichs	McDonald	Redalen	Tjornhom
Boo	Gutknecht	McEachern	Richter	Tompkins
Brown	Hartle	McKasy	Rose	Tunheim
Burger	Haukoos	McPherson	Schafer	Uphus
Carlson, D.	Heap	Miller	Schoenfeld	Valento
Clausnitzer	Himle	Morrison	Schreiber	Waltman
Cooper	Hugoson	Neuenschwander	Seaberg	Welle
Dauner	Jennings	Ogren	Shaver	Wenzel
DeBlick	Jensen	Olson, E.	Solberg	
Dempsey	Johnson, V.	Olson, K.	Sparby	

The motion did not prevail.

The question was taken on the motion to recommend passage of H. F. No. 846, the first engrossment, and the roll was called. There were 67 yeas and 61 nays as follows:

## Those who voted in the affirmative were:

Anderson, R.	DeBlick	Kinkel	Ozment	Sviggum
Battaglia	Dempsey	Lieder	Poppenhagen	Swenson
Bauerly	Dille	Marsh	Quinn	Thiede
Beard	Frederick	McDonald	Quist	Tjornhom
Begich	Gruenes	McEachern	Redalen	Tompkins
Bennett	Gutknecht	McKasy	Richter	Tunheim
Bertram	Heap	McPherson	Schafer	Uphus
Boo	Himle	Miller	Schoenfeld	Valento
Burger	Hugoson	Morrison	Seaberg	Waltman
Carlson, D.	Jacobs	Nelson, C.	Shaver	Wenzel
Carruthers	Jennings	O'Connor	Solberg	Winter
Clausnitzer	Johnson, A.	Omamn	Sparby	
Cooper	Johnson, R.	Onnen	Stanius	
Dauner	Johnson, V.	Orenstein	Steensma	

## Those who voted in the negative were:

Anderson, G.	Jaros	Larsen	Olson, K.	Rose
Bishop	Jefferson	Lasley	Osthoff	Rukavina
Blatz	Jensen	Long	Pappas	Scheid
Brown	Kahn	McLaughlin	Pauly	Schreiber
Carlson, L.	Kalis	Milbert	Pelowski	Segal
Clark	Kelly	Minne	Peterson	Simoneau
Dorn	Kelso	Munger	Price	Trimble
Forsythe	Kludt	Murphy	Reding	Vanasek
Frerichs	Knickerbocker	Neuenschwander	Rest	Vellenga
Greenfield	Knuth	Ogren	Rice	Voss
Hartle	Kostohryz	Olson, S.	Riveness	Welle
Haukoos	Krueger	Olson, E.	Rodosovich	Wynia
				Spk. Norton

The motion prevailed.

## MOTIONS AND RESOLUTIONS

Osthoff moved that the name of Norton be added as an author on H. F. No. 1443. The motion prevailed.

Schreiber moved that the name of Clark be added as an author on H. F. No. 1562. The motion prevailed.

Wenzel moved that the words "by request" be inserted after the name of Wenzel on H. F. No. 1602. The motion prevailed.

Wenzel moved that the names of Vanasek, Krueger, Steensma and Cooper be added as authors on H. F. No. 1612. The motion prevailed.

Otis moved that H. F. No. 929, now on Technical General Orders, be re-referred to the Committee on Appropriations. The motion prevailed.

Wynia moved that H. F. No. 1212 be recalled from the Committee on Taxes and be re-referred to the Committee on Appropriations. The motion prevailed.

Nelson, K., moved that House Advisory No. 2 be recalled from the Committee on Economic Development and Housing and be re-referred to the Committee on Commerce. The motion prevailed.

Anderson, G., moved that the name of Cooper be shown as chief author on H. F. No. 777. The motion prevailed.

Vellenga moved that H. F. No. 762, now on General Orders, be indefinitely postponed. The motion prevailed.

House Concurrent Resolution No. 8 was reported to the House.

Begich moved that House Concurrent Resolution No. 8 be now adopted.

## HOUSE CONCURRENT RESOLUTION NO. 8

A House concurrent resolution commemorating the life and work of John Mariucci.

*Whereas*, John Mariucci was born May 18, 1916, in Eveleth, Minnesota, the son of Italian immigrants; and

*Whereas*, John Mariucci began playing hockey in his junior year of high school and then played Golden Gopher football and Golden



Gopher ice hockey as a defenseman. He was the first University of Minnesota hockey player named All-American; and

*Whereas*, in the 1940's, he played for the National Hockey League Chicago Blackhawks for five years and was an outstanding enforcer and gamebreaker; and

*Whereas*, John Mariucci, also known as "Maroosh" and "The Old Roman," was head coach for the University of Minnesota hockey program from 1952 to 1966. He was regarded as a tough coach but a gentle man with a big heart. As some of his players later became coaches, the foundation was being established for hockey's growth in Minnesota; and

*Whereas*, the 1956 United States Olympic Team, under his coaching, won a silver medal; and

*Whereas*, since 1967, he was assistant general manager, scout, and goodwill ambassador for the North Stars; and

*Whereas*, his love and dedication to hockey's development at every competitive level was rewarded by seeing hockey grow from a minor sport at a dozen high schools to a major sport at over 150 high schools, and seeing attendance at the state tournaments increase from 15,000 in 1952, to 100,000 in 1982. He was honored as "Mr. Hockey" by the high school coaches; and

*Whereas*, it is because of the lifetime work of John Mariucci that the modern game of hockey is what it is in the United States; and

*Whereas*, John Mariucci Day in Minnesota was proclaimed by Governor Rudy Perpich on March 2, 1985, and the University of Minnesota hockey building was renamed Mariucci Arena; and

*Whereas*, he was a charter inductee in the United States Hockey Hall of Fame, located in Eveleth, and was named to the National Hockey League Hall of Fame in Montreal, May 1, 1985, and to the Minnesota Sports Hall of Fame in 1986; and

*Whereas*, his life was lived as a tender, caring, sensitive humanitarian and as an inspiration and role model. He was blessed with a great sense of humor that endeared him to many; *Now, Therefore*,

*Be It Resolved* by the House of Representatives of the State of Minnesota, the Senate concurring, that it commemorates the life and work of John Mariucci. Hockey players, fans, and personnel are grateful and appreciative of his lifelong dedication to American hockey. He was admired, loved, and respected and will be remembered and missed not only by Minnesotans but throughout the country.

*Be It Further Resolved* that the Chief Clerk of the House of Representatives is directed to prepare enrolled copies of this resolution, to be authenticated by his signature and those of the Speaker, the President of the Senate, and the Secretary of the Senate.

*Be It Further Resolved* that this resolution be presented to the Governor for his approval and, upon his approval, deposited with the Secretary of State and published with the laws of the State of Minnesota. The Secretary of State shall prepare certified copies of this resolution and present them to the family of John Mariucci and to the United States Hockey Hall of Fame.

The motion prevailed and House Concurrent Resolution No. 8 was adopted.

#### ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 38:

Jacobs, Ogren and Bennett.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 397:

Scheid, Osthoff and Knickerbocker.

#### ADJOURNMENT

Vanasek moved that when the House adjourns today it adjourn until 2:00 p.m., Wednesday, April 22, 1987. The motion prevailed.

Vanasek moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Wednesday, April 22, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives