

SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION

S.F. No. 1740

(SENATE AUTHORS: CWODZINSKI)		
DATE	D-PG	OFFICIAL STATUS
02/20/2025	461	Introduction and first reading Referred to Education Policy
04/07/2025		Comm report: To pass as amended Second reading

1.1

A bill for an act

1.2

relating to education; making changes to kindergarten through grade 12 education;

1.3

modifying provisions for general education, education excellence, charter schools,

1.4

the Read Act, special education, school nutrition, and state agencies; requiring

1.5

reports; amending Minnesota Statutes 2024, sections 13.32, subdivision 5; 13.82,

1.6

subdivision 1; 120B.021, subdivisions 2, 3; 120B.024, subdivision 2; 120B.11,

1.7

subdivision 1; 120B.117, subdivision 4; 120B.119, subdivisions 2a, 10; 120B.12,

1.8

subdivisions 1, 2, 2a, 3, 4, 4a; 120B.123, subdivisions 1, 5, 7; 120B.124, subdivision

1.9

2; 120B.35, subdivision 3; 121A.031, subdivisions 2, 4, 6; 121A.41, subdivision

1.10

10; 121A.49; 124D.09, subdivisions 5, 5a, 5b, 9, 10; 124D.094, subdivision 1;

1.11

124D.117, subdivision 2; 124D.119, subdivision 5; 124D.162; 124D.42, subdivision

1.12

8; 124D.52, subdivision 2; 124E.02; 124E.03, subdivision 2; 124E.06, subdivision

1.13

7, by adding a subdivision; 124E.07, subdivision 8; 124E.16, subdivisions 1, 3,

1.14

by adding a subdivision; 124E.26, subdivisions 4, 5, by adding a subdivision;

1.15

125A.091, subdivisions 3a, 5; 127A.21, subdivisions 1, 1a, 4, 5, 6, 7, by adding

1.16

subdivisions; 127A.49, subdivision 3; 268.19, subdivision 1; proposing coding

1.17

for new law in Minnesota Statutes, chapters 13; 121A; 125A; repealing Minnesota

1.18

Statutes 2024, section 120B.124, subdivision 6.

1.19

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

1.20

ARTICLE 1

1.21

GENERAL EDUCATION

1.22

Section 1. Minnesota Statutes 2024, section 120B.021, subdivision 2, is amended to read:

1.23

Subd. 2. **Standards development.** (a) The commissioner must consider advice from at

1.24

least the following stakeholders in developing statewide rigorous core academic standards

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in language arts, mathematics, science, social studies, including history, geography,

1.26

economics, government and citizenship, health, and the arts:

1.27

(1) parents of school-age children and members of the public throughout the state;

(2) teachers throughout the state currently licensed and providing instruction in language arts, mathematics, science, social studies, health, or the arts and licensed elementary and secondary school principals throughout the state currently administering a school site;

(3) currently serving members of local school boards and charter school boards throughout the state;

(4) faculty teaching core subjects at postsecondary institutions in Minnesota;

(5) representatives of the Minnesota business community;

(6) representatives from the Tribal Nations Education Committee and Tribal Nations and communities in Minnesota, including both Anishinaabe and Dakota; and

(7) current students, with input from the Minnesota Youth Council.

(b) Academic standards must:

(1) be clear, concise, objective, and measurable, ~~and grade-level appropriate~~;

(2) not require a specific teaching methodology or curriculum; and

(3) be consistent with the Constitutions of the United States and the state of Minnesota.

Sec. 2. Minnesota Statutes 2024, section 120B.024, subdivision 2, is amended to read:

Subd. 2. **Credit equivalencies.** (a) A one-half credit of economics taught in a school's agricultural, food, and natural resources education or business education program or department may fulfill a one-half credit in social studies under subdivision 1, clause (5), if the credit is sufficient to satisfy all of the academic standards in economics.

(b) An agriculture science or career and technical education credit may fulfill the elective science credit required under subdivision 1, clause (4), if the credit meets the state physical science, life science, earth and space science, chemistry, or physics academic standards or a combination of these academic standards as approved by the district. An agriculture or career and technical education credit may fulfill the credit in chemistry or physics required under subdivision 1, clause (4), if the credit meets the state chemistry or physics academic standards as approved by the district. A student must satisfy either all of the chemistry academic standards or all of the physics academic standards prior to graduation. An agriculture science or career and technical education credit may not fulfill the required biology credit under subdivision 1, clause (4).

(c) A career and technical education credit may fulfill a mathematics or arts credit requirement under subdivision 1, clause (2) or (6).

(d) An agricultural, food, and natural resources education teacher is not required to meet the requirements of Minnesota Rules, part 3505.1150, subpart 2, item B, to meet the credit equivalency requirements of paragraph (b) above.

(e) A computer science credit may fulfill a mathematics credit requirement under subdivision 1, clause (2), if the credit meets state academic standards in mathematics.

(f) A Project Lead the Way credit may fulfill a science or mathematics credit requirement under subdivision 1, clause (2) or (4), if the credit meets the state academic standards in science or mathematics.

(g) An ethnic studies course may fulfill a social studies, language arts, arts, math, or science credit if the course meets the applicable state academic standards. An ethnic studies course may fulfill an elective credit if the course meets applicable local standards or other requirements.

(h) A health education teacher is not required to meet the requirements of Minnesota Rules, part 3505.1150, subpart 2, item B, to meet the credit equivalency requirements of paragraph (b).

(i) A health science career and technical education credit may fulfill a health or science credit if the course meets the applicable state and local standards in health or related science standards.

Sec. 3. Minnesota Statutes 2024, section 124D.09, subdivision 5, is amended to read:

Subd. 5. **Authorization; notification.** (a) Notwithstanding any other law to the contrary, an 11th or 12th grade pupil enrolled in a district, a charter school, or an American Indian-controlled Tribal contract or grant school eligible for aid under section 124D.83, except a foreign exchange pupil enrolled in a district under a cultural exchange program, may apply to an eligible institution, as defined in subdivision 3, to enroll in nonsectarian courses offered by that postsecondary institution.

(b) If an institution accepts a secondary pupil for enrollment under this section, the institution shall send written notice to the pupil, the pupil's school or school district, and the commissioner. The notice must indicate the course and hours of enrollment of that pupil. The institution must notify the pupil's school as soon as practicable if the pupil withdraws from the enrolled course. The institution must also notify the pupil's school as soon as practicable if the pupil has been absent from a course for ten consecutive days on which classes are held, based upon the postsecondary institution's academic calendar, and the pupil is not receiving instruction in their home or hospital or other facility.

(c) If the pupil enrolls in a course for postsecondary credit, the institution must notify:

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

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

Sec. 4. Minnesota Statutes 2024, section 124D.09, subdivision 5a, is amended to read:

Subd. 5a. **Authorization; career or technical education.** A 10th, 11th, or 12th grade pupil enrolled in a district, a charter school, or an American Indian-controlled tribal contract or grant school eligible for aid under section 124D.83, except a foreign exchange pupil enrolled in a district under a cultural exchange program, may enroll in a career or technical education course offered by a Minnesota state college or university. A 10th grade pupil applying for enrollment in a career or technical education course under this subdivision must have received a passing score on the 8th grade Minnesota Comprehensive Assessment in reading as a condition of enrollment. A current 10th grade pupil who did not take the 8th grade Minnesota Comprehensive Assessment in reading may substitute another reading assessment accepted by the enrolling postsecondary institution. A secondary pupil may enroll in the pupil's first postsecondary options enrollment course under this subdivision. A student who is refused enrollment by a Minnesota state college or university under this subdivision may apply to an eligible institution offering a career or technical education course. The postsecondary institution must give priority to its students according to subdivision 9. If a secondary student receives a grade of "C" or better in the career or technical education course taken under this subdivision, the postsecondary institution must allow the student to take additional postsecondary courses for secondary credit at that institution, not to exceed the limits in subdivision 8. A "career or technical course" is a course that is part of a career and technical education program that provides individuals with coherent, rigorous content aligned with academic standards and relevant technical knowledge and skills needed to prepare for further education and careers in current and emerging professions and provide technical skill proficiency, an industry recognized credential, and a certificate, a diploma, or an associate degree.

Sec. 5. Minnesota Statutes 2024, section 124D.09, subdivision 5b, is amended to read:

Subd. 5b. **Authorization; 9th or 10th grade pupil.** Notwithstanding any other law to the contrary, a 9th or 10th grade pupil enrolled in a district, a charter school, or an American Indian-controlled tribal contract or grant school eligible for aid under section 124D.83,

except a foreign exchange pupil enrolled in a district under a cultural exchange program, may apply to enroll in nonsectarian courses offered under subdivision 10, if:

(1) the district, charter school, or Tribal school district and the eligible postsecondary institution providing the course agree to the student's enrollment; or

(2) the course is a world language course currently available to 11th and 12th grade students, and consistent with section 120B.022 governing world language standards, certificates, and seals.

Sec. 6. Minnesota Statutes 2024, section 124D.09, subdivision 9, is amended to read:

Subd. 9. Enrollment priority. (a) A postsecondary institution must give priority to its postsecondary students when enrolling pupils in grades 10, 11, and 12 in its courses. A postsecondary institution may provide information about its programs to a secondary school or to a pupil or parent and it may advertise or otherwise recruit or solicit a secondary pupil to enroll in its programs on educational and programmatic grounds only ~~except, notwithstanding other law to the contrary, and for the 2014-2015 through 2019-2020 school years only, an eligible postsecondary institution may advertise or otherwise recruit or solicit a secondary pupil residing in a school district with 700 students or more in grades 10, 11, and 12, to enroll in its programs on educational, programmatic, or financial grounds.~~

(b) An institution must not enroll secondary pupils, for postsecondary enrollment options purposes, in remedial, developmental, or other courses that are not college level except when a student eligible to participate and enrolled in the graduation incentives program under section 124D.68 enrolls full time in a middle or early college program. A middle or early college program must be specifically designed to allow the student to earn dual high school and college credit with a well-defined pathway to allow the student to earn a postsecondary degree or credential. In this case, the student must receive developmental college credit and not college credit for completing remedial or developmental courses.

(c) Once a pupil has been enrolled in any postsecondary course under this section, the pupil must not be displaced by another student.

(d) If a postsecondary institution enrolls a secondary school pupil in a course under this section, the postsecondary institution also must enroll in the same course an otherwise enrolled and qualified postsecondary student who qualifies as a veteran under section 197.447, and demonstrates to the postsecondary institution's satisfaction that the institution's established enrollment timelines were not practicable for that student.

(e) A postsecondary institution must allow secondary pupils to enroll in online courses under this section consistent with the institution's policy regarding postsecondary pupil enrollment in online courses.

Sec. 7. Minnesota Statutes 2024, section 124D.09, subdivision 10, is amended to read:

Subd. 10. **Courses according to agreements.** (a) An eligible pupil, according to subdivision 5, may enroll in a nonsectarian course taught by a secondary teacher or a postsecondary faculty member and offered at a secondary school, charter school, or Tribal school, or another location, according to an agreement between a public school board, board of directors, or Tribal school and the governing body of an eligible public postsecondary system or an eligible private postsecondary institution, as defined in subdivision 3. All provisions of this section apply to a pupil, public school board, board of directors, Tribal council, district, charter school, or Tribal school, and the governing body of a postsecondary institution, except as otherwise provided. A secondary school and a postsecondary institution that enrolls eligible pupils in courses according to agreements must annually report to the commissioner the participation rates of pupils enrolled in courses according to agreements, including the number of pupils enrolled and the number of courses taken for postsecondary or dual credit.

(b) To encourage students, especially American Indian students and students of color, to consider teaching as a profession, participating ~~schools,~~ school districts, charter schools, or Tribal schools, and postsecondary institutions are encouraged to develop and offer an "Introduction to Teaching" or "Introduction to Education" course under this subdivision. For the purpose of applying for grants under this paragraph, "eligible institution" includes ~~schools and districts,~~ charter schools, or Tribal schools that partner with an accredited college or university in addition to postsecondary institutions identified in subdivision 3, paragraph (a). Grant recipients under this paragraph must annually report to the commissioner in a form and manner determined by the commissioner on the participation rates of students in courses under this paragraph, including the number of students who apply for admission to colleges or universities with teacher preparation programs and the number of students of color and American Indian students who earned postsecondary credit. Grant recipients must also describe recruiting efforts intended to ensure that the percentage of participating students who are of color or American Indian meets or exceeds the overall percentage of students of color or American Indian students in the school.

7.1 Sec. 8. Minnesota Statutes 2024, section 124D.094, subdivision 1, is amended to read:

7.2 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
7.3 the meanings given.

7.4 (b) "Blended instruction" means a form of digital instruction that occurs when a student
7.5 learns part time in a supervised physical setting and part time through online instruction
7.6 under paragraph (f).

7.7 (c) "Digital instruction" means instruction facilitated by technology that offers students
7.8 an element of control over the time, place, path, or pace of learning and includes blended
7.9 and online instruction.

7.10 (d) "Enrolling district" means the school district or charter school in which a student is
7.11 enrolled under section ~~120A.22, subdivision 4~~ 120A.05, subdivision 8, or chapter 124E.

7.12 (e) "Online course syllabus" means a written document that identifies the state academic
7.13 standards taught and assessed in a supplemental online course under paragraph (j); course
7.14 content outline; required course assessments; instructional methods; communication
7.15 procedures with students, guardians, and the enrolling district under paragraph (d); and
7.16 supports available to the student.

7.17 (f) "Online instruction" means a form of digital instruction that occurs when a student
7.18 learns primarily through digital technology away from a supervised physical setting.

7.19 (g) "Online instructional site" means a site that offers courses using online instruction
7.20 under paragraph (f) and may enroll students receiving online instruction under paragraph
7.21 (f).

7.22 (h) "Online teacher" means an employee of the enrolling district under paragraph (d) or
7.23 the supplemental online course provider under paragraph (k) who holds the appropriate
7.24 licensure under Minnesota Rules, chapter 8710, and is trained to provide online instruction
7.25 under paragraph (f).

7.26 (i) "Student" means a Minnesota resident enrolled in a school defined under section
7.27 120A.22, subdivision 4, in kindergarten through grade 12 up to the age of 21.

7.28 (j) "Supplemental online course" means an online learning course taken in place of a
7.29 course provided by the student's enrolling district under paragraph (d).

7.30 (k) "Supplemental online course provider" means a school district, an intermediate school
7.31 district, a state-operated school, an organization of two or more school districts operating
7.32 under a joint powers agreement, or a charter school located in Minnesota that is authorized

8.1 by the Department of Education to provide supplemental online courses under paragraph
8.2 (j).

8.3 Sec. 9. Minnesota Statutes 2024, section 124D.52, subdivision 2, is amended to read:

8.4 Subd. 2. **Program approval.** (a) To receive aid under this section, a district, the
8.5 Department of Corrections, a private nonprofit organization, or a consortium including
8.6 districts, nonprofit organizations, or both must submit an application by June 1 describing
8.7 the program, on a form provided by the department. The program must be approved by the
8.8 commissioner according to the following criteria:

8.9 (1) how the needs of different levels of learning and English language proficiency will
8.10 be met;

8.11 (2) for continuing programs, an evaluation of results;

8.12 (3) anticipated number and education level of participants;

8.13 (4) coordination with other resources and services;

8.14 (5) participation in a consortium, if any, and money available from other participants;

8.15 (6) management and program design;

8.16 (7) volunteer training and use of volunteers;

8.17 (8) staff development services;

8.18 (9) program sites and schedules;

8.19 (10) program expenditures that qualify for aid;

8.20 (11) program ability to provide data related to learner outcomes as required by law; and

8.21 (12) a copy of the memorandum of understanding described in subdivision 1 submitted
8.22 to the commissioner.

8.23 (b) Adult basic education programs may be approved under this subdivision for up to
8.24 ~~five~~ six years. ~~Five-year~~ Six-year program approval must be granted to an applicant who
8.25 has demonstrated the capacity to:

8.26 (1) offer comprehensive learning opportunities and support service choices appropriate
8.27 for and accessible to adults at all basic skill and English language levels of need;

8.28 (2) provide a participatory and experiential learning approach based on the strengths,
8.29 interests, and needs of each adult, that enables adults with basic skill needs to:

(i) identify, plan for, and evaluate their own progress toward achieving their defined educational and occupational goals;

(ii) master the basic academic reading, writing, and computational skills, as well as the problem-solving, decision making, interpersonal effectiveness, and other life and learning skills they need to function effectively in a changing society;

(iii) locate and be able to use the health, governmental, and social services and resources they need to improve their own and their families' lives; and

(iv) continue their education, if they desire, to at least the level of secondary school completion, with the ability to secure and benefit from continuing education that will enable them to become more employable, productive, and responsible citizens;

(3) plan, coordinate, and develop cooperative agreements with community resources to address the needs that the adults have for support services, such as transportation, English language learning, flexible course scheduling, convenient class locations, and child care;

(4) collaborate with business, industry, labor unions, and employment-training agencies, as well as with family and occupational education providers, to arrange for resources and services through which adults can attain economic self-sufficiency;

(5) provide sensitive and well trained adult education personnel who participate in local, regional, and statewide adult basic education staff development events to master effective adult learning and teaching techniques;

(6) participate in regional adult basic education peer program reviews and evaluations;

(7) submit accurate and timely performance and fiscal reports;

(8) submit accurate and timely reports related to program outcomes and learner follow-up information; and

(9) spend adult basic education aid on adult basic education purposes only, which are specified in sections 124D.518 to 124D.531.

(c) The commissioner shall require each district to provide notification by February 1, of its intent to apply for funds under this section as a single district or as part of a consortium. A district receiving funds under this section must notify the commissioner by February 1 of its intent to change its application status for applications due the following June 1.

Sec. 10. REVISOR INSTRUCTION.

The revisor of statutes must substitute the term "district, charter school, or Tribal school" for "district" or "school district" wherever the terms appear in Minnesota Statutes, section 124D.09, subdivisions 3, 4, 6, 7, 8, 9, 11a, 12, 13, 16, 21, and 24, and section 124D.091.

The revisor may also make grammatical changes related to the change in terms.

ARTICLE 2

EDUCATION EXCELLENCE

Section 1. Minnesota Statutes 2024, section 120B.11, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** For the purposes of this section and section 120B.10, the following terms have the meanings given them.

(a) "Instruction" means methods of providing learning experiences that enable a student to meet state and district academic standards and graduation requirements including applied and experiential learning.

(b) "Curriculum" means district or school adopted programs and written plans for providing students with learning experiences that lead to expected knowledge and skills and career and college readiness.

(c) "Comprehensive achievement and civic readiness" means striving to: ~~meet school readiness goals~~ support successful learners through inclusive, quality, developmentally appropriate early learning experiences; close the academic achievement gap among all racial and ethnic groups of students and between students living in poverty and students not living in poverty; have all students attain career and college readiness before graduating from high school; have all students graduate from high school; and prepare students to be lifelong learners.

(d) "Experiential learning" means learning for students that includes career exploration through a specific class or course or through work-based experiences such as job shadowing, mentoring, entrepreneurship, service learning, volunteering, internships, other cooperative work experience, youth apprenticeship, or employment.

(e) "Ethnic studies" as defined in section 120B.25 has the same meaning for purposes of this section. Ethnic studies curriculum may be integrated in existing curricular opportunities or provided through additional curricular offerings.

(f) "Antiracist" means actively working to identify and eliminate racism in all forms in order to change policies, behaviors, and beliefs that perpetuate racist ideas and actions.

(g) "Culturally sustaining" means integrating content and practices that infuse the culture and language of Black, Indigenous, and People of Color communities who have been and continue to be harmed and erased through the education system.

(h) "Institutional racism" means structures, policies, and practices within and across institutions that produce outcomes that disadvantage those who are Black, Indigenous, and People of Color.

Sec. 2. Minnesota Statutes 2024, section 120B.35, subdivision 3, is amended to read:

Subd. 3. State growth measures; other state measures. (a)(1) The state's educational assessment system measuring individual students' educational growth is based on indicators of current achievement that show growth relative to an individual student's prior achievement. Indicators of achievement and prior achievement must be based on highly reliable statewide or districtwide assessments.

(2) For purposes of paragraphs (b), (c), and (d), the commissioner must analyze and report separate categories of information using the student categories identified under the federal Elementary and Secondary Education Act, as most recently reauthorized, and, in addition to "other" for each race and ethnicity, and the Karen community, seven of the most populous Asian and Pacific Islander groups, three of the most populous Native groups, seven of the most populous Hispanic/Latino groups, and five of the most populous Black and African Heritage groups as determined by the total Minnesota population based on the most recent American Community Survey; English learners under section 124D.59; home language; free or reduced-price meals; and all students enrolled in a Minnesota public school who are currently or were previously in foster care, except that such disaggregation and cross tabulation is not required if the number of students in a category is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual student.

(b) The commissioner, in consultation with a stakeholder group that includes assessment and evaluation directors, district staff, experts in culturally responsive teaching, and researchers, must implement an appropriate growth model that compares the difference in students' achievement scores over time, and includes criteria for identifying schools and school districts that demonstrate academic progress or progress toward English language proficiency. The model may be used to advance educators' professional development and replicate programs that succeed in meeting students' diverse learning needs. Data on individual teachers generated under the model are personnel data under section 13.43. The model must allow users to:

12.1 (1) report student growth consistent with this paragraph; and

12.2 (2) for all student categories, report and compare aggregated and disaggregated state
12.3 student growth and, under section 120B.11, subdivision 2, clause (2), student learning and
12.4 outcome data using the student categories identified under the federal Elementary and
12.5 Secondary Education Act, as most recently reauthorized, and other student categories under
12.6 paragraph (a), clause (2).

12.7 The commissioner must report measures of student growth and, under section 120B.11,
12.8 subdivision 2, clause (2), student learning and outcome data, consistent with this paragraph,
12.9 including the English language development, academic progress, and oral academic
12.10 development of English learners and their native language development if the native language
12.11 is used as a language of instruction, and include data on all pupils enrolled in a Minnesota
12.12 public school course or program who are currently or were previously counted as an English
12.13 learner under section 124D.59. Additionally, language development outcomes of the target
12.14 language of instruction other than English for all students who are in dual language immersion
12.15 programs or enrolled in a Minnesota public school course or program in which the objective
12.16 is improving or maintaining the students' native language must be reported.

12.17 (c) When reporting student performance under section 120B.36, subdivision 1, the
12.18 commissioner annually, beginning July 1, 2011, must report two core measures indicating
12.19 the extent to which current high school graduates are being prepared for postsecondary
12.20 academic and career opportunities:

12.21 (1) a preparation measure indicating the number and percentage of high school graduates
12.22 in the most recent school year who completed course work important to preparing them for
12.23 postsecondary academic and career opportunities, consistent with the core academic subjects
12.24 required for admission to Minnesota's public colleges and universities as determined by the
12.25 Office of Higher Education under chapter 136A; and

12.26 (2) a rigorous coursework measure indicating the number and percentage of high school
12.27 graduates in the most recent school year who successfully completed one or more
12.28 college-level advanced placement, international baccalaureate, postsecondary enrollment
12.29 options including concurrent enrollment, other rigorous courses of study under section
12.30 120B.021, subdivision 1a, or industry certification courses or programs.

12.31 When reporting the core measures under clauses (1) and (2), the commissioner must also
12.32 analyze and report separate categories of information using the student categories identified
12.33 under the federal Elementary and Secondary Education Act, as most recently reauthorized,
12.34 and other student categories under paragraph (a), clause (2).

(d) When reporting student performance under section 120B.36, subdivision 1, the commissioner annually, beginning July 1, 2014, must report summary data on school safety and students' engagement and connection at school, consistent with the student categories identified under paragraph (a), clause (2). The summary data under this paragraph are separate from and must not be used for any purpose related to measuring or evaluating the performance of classroom teachers. The commissioner, in consultation with qualified experts on student engagement and connection and classroom teachers, must identify highly reliable variables that generate summary data under this paragraph. The summary data may be used at school, district, and state levels only. Any data on individuals received, collected, or created that are used to generate the summary data under this paragraph are nonpublic data under section 13.02, subdivision 9.

(e) For purposes of statewide educational accountability, the commissioner must identify and report measures that demonstrate the success of learning year program providers under sections 123A.05 and 124D.68, among other such providers, in improving students' graduation outcomes. The commissioner, beginning July 1, 2015, must annually report summary data on:

(1) the four- and six-year graduation rates of students under this paragraph;

(2) the percent of students under this paragraph whose progress and performance levels are meeting career and college readiness benchmarks under section 120B.307; and

(3) the success that learning year program providers experience in:

(i) identifying at-risk and off-track student populations by grade;

(ii) providing successful prevention and intervention strategies for at-risk students;

(iii) providing successful recuperative and recovery or reenrollment strategies for off-track students; and

(iv) improving the graduation outcomes of at-risk and off-track students.

The commissioner may include in the annual report summary data on other education providers serving a majority of students eligible to participate in a learning year program.

(f) The commissioner, in consultation with recognized experts with knowledge and experience in assessing the language proficiency and academic performance of all English learners enrolled in a Minnesota public school course or program who are currently or were previously counted as an English learner under section 124D.59, must identify and report appropriate and effective measures to improve current categories of language difficulty and

14.1 assessments, and monitor and report data on students' English proficiency levels, program
14.2 placement, and academic language development, including oral academic language.

14.3 (g) When reporting four- and six-year graduation rates, the commissioner or school
14.4 district must disaggregate the data by student categories according to paragraph (a), clause
14.5 (2).

14.6 (h) A school district must inform parents and guardians that volunteering information
14.7 on student categories not required by the most recent reauthorization of the Elementary and
14.8 Secondary Education Act is optional and will not violate the privacy of students or their
14.9 families, parents, or guardians. The notice must state the purpose for collecting the student
14.10 data.

14.11 Sec. 3. Minnesota Statutes 2024, section 121A.031, subdivision 2, is amended to read:

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

14.14 (b) "District" means a district under section 120A.05, subdivision 8.

14.15 (c) "Public school" or "school" means a public school under section 120A.05, subdivisions
14.16 9, 11, 13, and 17, and a charter school under chapter 124E.

14.17 (d) "Student" means a student enrolled in a school under paragraph (c).

14.18 (e) "Bullying" means intimidating, threatening, abusive, or harming conduct that is
14.19 objectively offensive and:

14.20 (1) there is an actual or perceived imbalance of power between the student engaging in
14.21 prohibited conduct and the target of the behavior and the conduct is repeated or forms a
14.22 pattern; or

14.23 (2) materially and substantially interferes with a student's educational opportunities or
14.24 performance or ability to participate in school functions or activities or receive school
14.25 benefits, services, or privileges.

14.26 (f) "Cyberbullying" means bullying using technology or other electronic communication,
14.27 including but not limited to a transfer of a sign, signal, writing, image, sound, or data,
14.28 including a post on a social network Internet website or forum, transmitted through a
14.29 computer, cell phone, or other electronic device.

14.30 (g) Intimidating, threatening, abusive, or harming conduct may involve, but is not limited
14.31 to, conduct that causes physical harm to a student or a student's property or causes a student
14.32 to be in reasonable fear of harm to person or property; under Minnesota common law,

15.1 violates a student's reasonable expectation of privacy, defames a student, or constitutes
15.2 intentional infliction of emotional distress against a student; is directed at any student or
15.3 students, including those based on a person's actual or perceived race, ethnicity, color, creed,
15.4 religion, national origin, immigration status, sex, marital status, familial status, socioeconomic
15.5 status, physical appearance, sexual orientation, including gender identity and expression,
15.6 academic status related to student performance, disability, or status with regard to public
15.7 assistance, age, or any additional characteristic defined in chapter 363A. However, prohibited
15.8 conduct need not be based on any particular characteristic defined in this paragraph or
15.9 chapter 363A.

15.10 (h) "Prohibited conduct" means bullying or cyberbullying as defined under this
15.11 subdivision or retaliation for asserting, alleging, reporting, or providing information about
15.12 such conduct or knowingly making a false report about bullying.

15.13 (i) "Remedial response" means a measure to stop and correct prohibited conduct, prevent
15.14 prohibited conduct from recurring, and protect, support, and intervene on behalf of the
15.15 student who is the target of the prohibited conduct. Remedial responses may include but
15.16 are not limited to nonexclusionary disciplinary policies and practices as defined in sections
15.17 121A.41, subdivision 12, and 121A.425, subdivision 2, and comprehensive school mental
15.18 health systems under section 121A.211.

15.19 (j) "Familial status" means the condition of one or more minors being domiciled having
15.20 legal status or custody with (1) the minor's parent or parents or the minor's legal guardian
15.21 or guardians, or (2) the designee of the parent or parents or guardian or guardians with the
15.22 written permission of the parent or parents or guardian or guardians.

15.23 Sec. 4. Minnesota Statutes 2024, section 121A.031, subdivision 4, is amended to read:

15.24 Subd. 4. **Local policy components.** (a) Each district and school policy implemented
15.25 under this section must, at a minimum:

15.26 (1) designate a staff member as the primary contact person in the school building to
15.27 receive reports of prohibited conduct under clause (3), ensure the policy and its procedures
15.28 including restorative practices, consequences, and sanctions are fairly and fully implemented,
15.29 and serve as the primary contact on policy and procedural matters implicating both the
15.30 district or school and the department;

15.31 (2) require school employees who witness prohibited conduct or possess reliable
15.32 information that would lead a reasonable person to suspect that a student is a target of
15.33 prohibited conduct to make reasonable efforts to address and resolve the prohibited conduct;

(3) provide a procedure to begin to investigate reports of prohibited conduct within three school days of the report, and make the primary contact person responsible for the investigation and any resulting record and for keeping and regulating access to any record;

(4) indicate how a school will respond to an identified incident of prohibited conduct, including immediately intervening to protect the target of the prohibited conduct; at the school administrator's discretion and consistent with state and federal data practices law governing access to data, including section 13.02, subdivision 8, a presumption that a district or school official will notify the ~~parent~~ individuals with familial status of the reported target of the prohibited conduct and the ~~parent~~ individuals with familial status of the actor engaged in the prohibited conduct; providing other remedial responses to the prohibited conduct; and ensuring that remedial responses are tailored to the particular incident and nature of the conduct and the student's developmental age and behavioral history;

(5) prohibit reprisals or retaliation against any person who asserts, alleges, or reports prohibited conduct or provides information about such conduct and establish appropriate consequences for a person who engages in reprisal or retaliation;

(6) allow anonymous reporting but do not rely solely on an anonymous report to determine discipline;

(7) provide information about available community resources to the target, actor, and other affected individuals, as appropriate;

(8) where appropriate for a child with a disability to prevent or respond to prohibited conduct, allow the child's individualized education program or section 504 plan to address the skills and proficiencies the child needs to respond to or not engage in prohibited conduct;

(9) use new employee training materials, the school publication on school rules, procedures, and standards of conduct, and the student handbook on school policies to publicize the policy;

(10) require ongoing professional development, consistent with section 122A.60, to build the skills of all school personnel who regularly interact with students, including but not limited to educators, administrators, school counselors, social workers, psychologists, other school mental health professionals, school nurses, cafeteria workers, custodians, bus drivers, athletic coaches, extracurricular activities advisors, and paraprofessionals to identify, prevent, and appropriately address prohibited conduct;

(11) allow the alleged actor in an investigation of prohibited conduct to present a defense; and

17.1 (12) inform affected students and their parents of their rights under state and federal
17.2 data practices laws to obtain access to data related to the incident and their right to contest
17.3 the accuracy or completeness of the data.

17.4 (b) Professional development under a local policy includes, but is not limited to,
17.5 information about:

17.6 (1) developmentally appropriate strategies both to prevent and to immediately and
17.7 effectively intervene to stop prohibited conduct;

17.8 (2) the complex dynamics affecting an actor, target, and witnesses to prohibited conduct;

17.9 (3) research on prohibited conduct, including specific categories of students at risk for
17.10 prohibited conduct in school;

17.11 (4) the incidence and nature of cyberbullying; and

17.12 (5) Internet safety and cyberbullying.

17.13 Sec. 5. Minnesota Statutes 2024, section 121A.031, subdivision 6, is amended to read:

17.14 Subd. 6. **State model policy.** (a) The commissioner, in consultation with the
17.15 commissioner of human rights, shall develop and maintain a state model policy. A district
17.16 or school that does not adopt and implement a local policy under subdivisions 3 to 5 must
17.17 implement and may supplement the provisions of the state model policy. The commissioner
17.18 must assist districts and schools under this subdivision to implement the state policy. The
17.19 state model policy must:

17.20 (1) define prohibited conduct, consistent with this section;

17.21 (2) apply the prohibited conduct policy components in this section;

17.22 (3) for a child with a disability, whenever an evaluation by an individualized education
17.23 program team or a section 504 team indicates that the child's disability affects the child's
17.24 social skills development or the child is vulnerable to prohibited conduct because of the
17.25 child's disability, the child's individualized education program or section 504 plan may
17.26 address the skills and proficiencies the child needs to not engage in and respond to such
17.27 conduct; and

17.28 (4) encourage violence prevention and character development education programs under
17.29 section 120B.232, subdivision 1.

17.30 (b) The commissioner shall develop and post departmental procedures for:

18.1 (1) periodically reviewing district and school programs and policies for compliance with
18.2 this section;

18.3 (2) ~~investigating~~ assessing, evaluating, reporting, and responding to noncompliance with
18.4 this section, which may include an annual review of plans to improve and provide a safe
18.5 and supportive school climate; and

18.6 (3) allowing students, parents, and educators to file a complaint about noncompliance
18.7 with the commissioner.

18.8 (c) The commissioner must post on the department's website information indicating that
18.9 when districts and schools allow non-curriculum-related student groups access to school
18.10 facilities, the district or school must give all student groups equal access to the school
18.11 facilities regardless of the content of the group members' speech.

18.12 (d) The commissioner must develop and maintain resources to assist a district or school
18.13 in implementing strategies for creating a positive school climate and use evidence-based,
18.14 social-emotional learning to prevent and reduce discrimination and other improper conduct.

18.15 Sec. 6. **[121A.211] COMPREHENSIVE SCHOOL MENTAL HEALTH SYSTEMS.**

18.16 Comprehensive School Mental Health Systems (CSMHS) provide a full array of supports
18.17 and services that promote positive school climate, social and emotional learning, and mental
18.18 health and well-being, while reducing the prevalence and severity of mental illness. CSMHS
18.19 are an effective and broad multitiered system of supports approach to caring for the needs
18.20 of all students. CSMHS are school-community collaborations that provide a continuum of
18.21 mental health services across all three tiers of care for all students. CSMHS help support
18.22 early identification and interventions for those students at risk and indicated treatments for
18.23 those students with more intensive needs. These collaborations occur between district and
18.24 school professionals and educators and students, families, and broader community and
18.25 mental health partners to better identify and address all factors and systems that influence
18.26 mental health outcomes. Core features of CSMHS include well-trained educators and
18.27 specialized support personnel, including school social workers, school psychologists, school
18.28 counselors, and school nurses; collaboration and teaming, including school-linked mental
18.29 health providers; family, school, and community partnerships; needs assessment and resource
18.30 mapping; alignment with Minnesota multitiered system of supports; mental health screening;
18.31 culturally responsive, evidence-based practices and emerging best practices; data outcomes,
18.32 data systems, and data-driven decision making; and funding and sustainability.

Sec. 7. Minnesota Statutes 2024, section 121A.41, subdivision 10, is amended to read:

Subd. 10. **Suspension.** "Suspension" means an action by the school administration, under rules promulgated by the school board, prohibiting a pupil from attending school for a period of no more than ten school days. If a suspension is longer than five days, the suspending administrator must provide the superintendent with a reason for the longer suspension. This definition does not apply to dismissal from school for ~~one school day or less than one school day~~, except as provided in federal law for a student with a disability. Each suspension action may include a readmission plan. The readmission plan shall include, where appropriate, a provision for implementing alternative educational services upon readmission and may not be used to extend the current suspension. Consistent with section 125A.091, subdivision 5, the readmission plan must not obligate a parent to provide a sympathomimetic medication for the parent's child as a condition of readmission. The school administration may not impose consecutive suspensions against the same pupil for the same course of conduct, or incident of misconduct, except where the pupil will create an immediate and substantial danger to self or to surrounding persons or property, or where the district is in the process of initiating an expulsion, in which case the school administration may extend the suspension to a total of 15 school days.

Sec. 8. Minnesota Statutes 2024, section 124D.162, is amended to read:

124D.162 KINDERGARTEN ~~ENTRY~~ FALL ASSESSMENT.

Subdivision 1. **Assessment required.** The commissioner of education must implement a kindergarten ~~entry~~ fall assessment of incoming kindergartners to identify the percent of kindergartners who meet or exceed end-of-year prekindergarten early learning standards.

Subd. 2. **Process.** (a) School districts and charter schools must choose a fall kindergarten ~~entry~~ assessment tool ~~from a menu of valid and reliable measurement instruments~~ approved by the department that:

(1) ~~are~~ is aligned to the state early childhood indicators of progress and kindergarten standards and ~~are~~ is based on the criteria to be an early learning assessment approved by the department;

(2) ~~support~~ supports the striving for comprehensive achievement and civic readiness plan goals in section 120B.11, subdivision 1, paragraph (c); and

(3) ~~are~~ is based, in part, on information collected from teachers, early learning professionals, families, and other partners.

(b) The department must provide technical assistance and professional development related to the assessment required under this section to educators, school districts, and charter schools.

Subd. 3. **Reporting.** School districts and charter schools must annually report the results of fall kindergarten entry assessments to the department in a form and manner determined by the commissioner that is concurrent with a district's and charter school's comprehensive achievement and civic readiness ~~report plan~~ under section 120B.11, subdivision 5. The commissioner must publicly report fall kindergarten readiness assessment results as part of the performance reports required under section 120B.36 and in a manner consistent with section 120B.35, subdivision 3, paragraph (a), clause (2).

Subd. 4. **Implementation.** The requirements under this section must be phased in over ~~three~~ four school years with all school districts and charter schools complying beginning with the ~~2025-2026~~ 2026-2027 school year.

ARTICLE 3 CHARTER SCHOOLS

Section 1. Minnesota Statutes 2024, section 124E.02, is amended to read:

124E.02 DEFINITIONS.

(a) For purposes of this chapter, the terms defined in this section have the meanings given them.

(b) "Affidavit" means a written statement the authorizer submits to the commissioner for approval to establish a charter school under section 124E.06, subdivision 4, attesting to its review and approval process before chartering a school.

(c) "Affiliate" means a person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with another person.

(d) "Charter management organization" or "CMO" means a nonprofit entity or organization that operates or manages a charter school or a network of charter schools or can control all or substantially all of a school's education program or a school's administrative, financial, business, or operational functions.

(e) "Competitive procurement process" means a process for procurement by sealed bids or by proposals under section 124E.26, subdivision 4a.

~~(e)~~ (f) "Control" means the ability to affect the management, operations, or policy actions or decisions of a person, whether by owning voting securities, by contract, or otherwise.

21.1 ~~(f)~~ (g) "Educational management organization" or "EMO" means a for-profit entity or
21.2 organization that operates or manages a charter school or a network of charter schools or
21.3 can control all or substantially all of a school's education program, or a school's
21.4 administrative, financial, business, or operational functions.

21.5 ~~(g)~~ (h) "Immediate family member" means any relationship by blood, marriage, adoption,
21.6 or partnership of spouses, parents, grandparents, siblings, children, first cousins, aunts,
21.7 uncles, grandchildren, nieces, and nephews.

21.8 ~~(h)~~ (i) "Market need and demand study" means a study that includes the following for
21.9 the proposed locations of the school or additional site that supports all of the proposed
21.10 grades, sites, and programs:

21.11 (1) current and projected demographic information;

21.12 (2) student enrollment patterns;

21.13 (3) information on existing schools and types of educational programs currently available;

21.14 (4) characteristics of proposed students and families;

21.15 (5) availability of properly zoned and classified facilities; and

21.16 (6) quantification of existing demand for the school or site.

21.17 ~~(i)~~ (j) "Person" means an individual or entity of any kind.

21.18 ~~(j)~~ (k) "Related party" means an affiliate or immediate family member of the other
21.19 interested party, an affiliate of an immediate family member who is the other interested
21.20 party, or an immediate family member of an affiliate who is the other interested party.

21.21 ~~(k)~~ (l) For purposes of this chapter, the terms defined in section 120A.05 have the same
21.22 meanings.

21.23 Sec. 2. Minnesota Statutes 2024, section 124E.03, subdivision 2, is amended to read:

21.24 Subd. 2. **Certain federal, state, and local requirements.** (a) A charter school shall
21.25 meet all federal, state, and local health and safety requirements applicable to school districts.

21.26 (b) A charter school must comply with ~~statewide accountability requirements governing~~
21.27 ~~standards and assessments in~~ chapter 120B.

21.28 (c) A charter school must comply with the Minnesota Public School Fee Law, sections
21.29 123B.34 to 123B.39.

21.30 (d) A charter school is a district for the purposes of tort liability under chapter 466.

22.1 (e) A charter school must comply with the Pledge of Allegiance requirement under
22.2 section 121A.11, subdivision 3.

22.3 (f) A charter school and charter school board of directors must comply with chapter 181
22.4 governing requirements for employment.

22.5 (g) A charter school must comply with continuing truant notification under section
22.6 260A.03.

22.7 (h) A charter school must develop and implement a teacher evaluation and peer review
22.8 process under section 122A.40, subdivision 8, paragraph (b), clauses (2) to (13), and place
22.9 students in classrooms in accordance with section 122A.40, subdivision 8, paragraph (d).
22.10 The teacher evaluation process in this paragraph does not create any additional employment
22.11 rights for teachers.

22.12 (i) A charter school must adopt a plan, budget, and process, consistent with section
22.13 120B.11, to review curriculum, instruction, and student achievement and strive for
22.14 comprehensive achievement and civic readiness.

22.15 (j) A charter school is subject to and must comply with the Pupil Fair Dismissal Act,
22.16 sections 121A.40 to 121A.56 and 121A.575, 121A.60, 121A.61, and 121A.65.

22.17 (k) A charter school must comply with the limits on screen time for children in preschool,
22.18 prekindergarten, and kindergarten under section 124D.166.

22.19 Sec. 3. Minnesota Statutes 2024, section 124E.06, subdivision 7, is amended to read:

22.20 Subd. 7. **Merger.** (a) Two or more charter schools may merge under chapter 317A. The
22.21 effective date of a merger must be July 1. The merged school must continue under the
22.22 identity of one of the merging schools. The authorizer and the merged school must execute
22.23 a new charter contract under section 124E.10, subdivision 1, by ~~July~~ June 1. The authorizer
22.24 must submit to the commissioner a copy of the new signed charter contract within ten
22.25 business days of executing the contract.

22.26 (b) Each merging school must submit a separate year-end report for the previous fiscal
22.27 year for that school only. After the final fiscal year of the premerger schools is closed out,
22.28 each of those schools must transfer the fund balances and debts to the merged school.

22.29 (c) For its first year of operation, the merged school is eligible to receive aid from
22.30 programs requiring approved applications equal to the sum of the aid of all of the merging
22.31 schools. For aids based on prior year data, the merged school is eligible to receive aid for
22.32 its first year of operation based on the combined data of all of the merging schools.

23.1 Sec. 4. Minnesota Statutes 2024, section 124E.06, is amended by adding a subdivision to
23.2 read:

23.3 Subd. 8. **Change in location.** A developing, preoperational, or operational charter school
23.4 with an approved affidavit must apply to its authorizer to change the charter school's location
23.5 by submitting documentation, including a revised market need and demand study, to the
23.6 authorizer for authorizer review and approval. The authorizer must establish a review process
23.7 to ensure the location change will address market need and demand as well as the charter
23.8 school's ongoing viability.

23.9 Sec. 5. Minnesota Statutes 2024, section 124E.07, subdivision 8, is amended to read:

23.10 Subd. 8. **Meetings and information.** (a) Board of director meetings must comply with
23.11 chapter 13D governing open meetings.

23.12 (b) Charter school board meetings shall be recorded by video recording including audio
23.13 at the expense of the governing body. A charter school shall publish and maintain on the
23.14 school's official website: (1) the recordings of board meetings; (2) the meeting minutes of
23.15 the board of directors and of members and committees having board-delegated authority,
23.16 within 30 days following the earlier of the date of board approval or the next regularly
23.17 scheduled meeting, and for at least 365 days from the date of publication; ~~(2)~~ (3) directory
23.18 information for the board of directors and for the members of committees having
23.19 board-delegated authority; and ~~(3)~~ (4) identifying and contact information for the school's
23.20 authorizer.

23.21 (c) A charter school must include identifying and contact information for the school's
23.22 authorizer in other school materials it makes available to the public.

23.23 Sec. 6. Minnesota Statutes 2024, section 124E.16, subdivision 1, is amended to read:

23.24 Subdivision 1. **Audit report.** (a) A charter school is subject to the same financial audits,
23.25 audit procedures, and audit requirements as a district, except as required under this
23.26 subdivision. Audits must be conducted in compliance with generally accepted governmental
23.27 auditing standards, the federal Single Audit Act, if applicable, and section 6.65 governing
23.28 auditing procedures. The audit must comply with the requirements of sections 123B.75 to
23.29 123B.83 governing school district finance, except when the commissioner and authorizer
23.30 approve a deviation made necessary because of school program finances. The commissioner,
23.31 state auditor, legislative auditor, or authorizer may conduct financial, program, or compliance
23.32 audits. A charter school in statutory operating debt under sections 123B.81 to 123B.83 must
23.33 submit a plan under section 123B.81, subdivision 4.

24.1 (b) The charter school must submit an audit report, including all supplemental information
24.2 included with the audit, to the commissioner and its authorizer annually by December 31.

24.3 (c) The charter school, with the assistance of the auditor conducting the audit, must
24.4 include with the report, as supplemental information: (1) a copy of ~~a new~~ any management
24.5 agreement ~~or an amendment to a current agreement~~ with a CMO or EMO ~~signed during the~~
24.6 ~~audit year~~; and (2) a copy of a service agreement or contract with a company or individual
24.7 totaling over five percent of the audited expenditures for the most recent audit year. The
24.8 agreements must detail the terms of the agreement, including the services provided and the
24.9 annual costs for those services.

24.10 (d) A charter school independent audit report shall include audited financial data of an
24.11 affiliated building corporation under section 124E.13, subdivision 3, or other component
24.12 unit.

24.13 (e) If the audit report finds that a material weakness exists in the financial reporting
24.14 systems of a charter school, the charter school must submit a written report to the
24.15 commissioner explaining how the charter school will resolve that material weakness. An
24.16 auditor, as a condition of providing financial services to a charter school, must agree to
24.17 make available information about a charter school's financial audit to the commissioner and
24.18 authorizer upon request.

24.19 Sec. 7. Minnesota Statutes 2024, section 124E.16, subdivision 3, is amended to read:

24.20 Subd. 3. **Public accounting and reporting CMO and EMO agreements.** (a) A charter
24.21 school that enters into a management agreement with a CMO or EMO must:

24.22 (1) publish on the charter school website for at least 20 business days the proposed final
24.23 agreement for public review and comment before the school board may adopt the contract
24.24 or agreement. Any changes made to the posted agreement during the public review period
24.25 or any proposed amendments to the agreement once adopted must be posted for 20 business
24.26 days before the board may adopt the amendments to the contract;

24.27 (2) annually publish on the charter school website a statement of assurance that no
24.28 member of the school board, staff, or any agent of the school has been promised or received
24.29 any form of compensation or gifts from the CMO or EMO and that no board member,
24.30 employee, or agent of the CMO or EMO or any of the organization affiliates or providers
24.31 serve on the charter school board; and

(3) conduct an independent review and evaluation of the services provided by the CMO or EMO and publish the evaluation on the school's website at least 30 business days before the end of the current contract.

(b) A management agreement with a CMO or EMO must contain the following:

(1) the term of the contract, not to exceed five years;

(2) the total dollar value of the contract including the annual projected costs of services;

(3) a description and terms of the services to be provided during the term of the contract;

(4) notice that a charter school closure during the term of the contract by action of the authorizer or the school's board results in the balance of the current contract becoming null and void;

(5) an annual statement of assurance to the charter school board that the CMO or EMO provided no compensation or gifts to any charter school board member, staff member, or agent of the charter school;

(6) an annual statement of assurance that no ~~charter school~~ board member, employee, contractor, or agent of the CMO or EMO or any affiliated organization is a board member of the charter school or any other charter school;

(7) the policies and protocols that meet federal and state laws regarding student and personnel data collection, usage, access, retention, disclosure and destruction, and indemnification and warranty provisions in case of data breaches by the CMO or EMO; and

(8) an annual assurance that all assets purchased on behalf of the charter school using public funds remain assets of the school.

(c) The CMO or EMO must annually provide the charter school board a financial report by July 31 that accounts for income and expenditures for the previous fiscal year using the account categories in uniform financial accounting and reporting standards.

(d) Any agreement with a CMO or EMO containing any of the following provisions is null and void:

(1) restrictions on the charter school's ability to operate a school upon termination of the agreement;

(2) restrictions on the annual or total amount of the school's operating surplus or fund balance;

26.1 (3) authorization to allow a CMO or EMO to withdraw funds from a charter school
26.2 account; or

26.3 (4) authorization to allow a CMO or EMO to loan funds to the charter school.

26.4 (e) A CMO or EMO or its affiliates, employees, or agents may not contract with, be
26.5 employed by, or serve on the board of an authorizer. An authorizer or its affiliates, employees,
26.6 or agents may not contract with, be employed by, serve as a paid consultant for, or serve as
26.7 a board member of a CMO or EMO.

26.8 Sec. 8. Minnesota Statutes 2024, section 124E.16, is amended by adding a subdivision to
26.9 read:

26.10 Subd. 4. **Authorizer performance evaluation report.** (a) A charter school must publish
26.11 on its website the formal written performance evaluation from its authorizer and disseminate
26.12 the evaluation to enrolled families in languages parents understand.

26.13 (b) Evaluations must be published on the charter school's website within 15 business
26.14 days of receipt of the evaluation by the charter school.

26.15 Sec. 9. Minnesota Statutes 2024, section 124E.26, subdivision 4, is amended to read:

26.16 Subd. 4. **Required policy components.** A charter school procurement policy must at a
26.17 minimum include:

26.18 (1) conflict of interest provisions consistent with section 124E.14;

26.19 (2) thresholds for purchases by employees without board approval;

26.20 (3) thresholds for purchases that require competitive ~~bidding~~ procurement processes as
26.21 defined in section 124E.02, paragraph (e), except that a competitive ~~bidding~~ procurement
26.22 process must occur for any procurement estimated to exceed \$25,000; and

26.23 (4) a prohibition on breaking up a procurement into smaller components to avoid the
26.24 thresholds established in clauses (2) and (3).

26.25 Notwithstanding clause (3), for a procurement estimated to exceed \$25,000 but not \$175,000,
26.26 the purchase may be made either by a competitive procurement process, or by direct
26.27 negotiation by obtaining two or more bids or proposals for the purchase or sale when possible
26.28 and without advertising for bids or proposals or otherwise complying with the requirements
26.29 of a competitive procurement process. If a procurement is estimated to exceed \$175,000, a
26.30 competitive procurement process must occur.

27.1 Sec. 10. Minnesota Statutes 2024, section 124E.26, is amended by adding a subdivision
27.2 to read:

27.3 Subd. 4a. **Competitive procurement.** (a) "Procurement by sealed bids" means a process
27.4 in which bids are publicly solicited and a firm fixed price contract by lump sum or unit price
27.5 is awarded to the responsible bidder whose bid, conforming with all material terms and
27.6 conditions of the invitation for bids, is the lowest in price. If sealed bids are used, the
27.7 following requirements apply:

27.8 (1) bids must be solicited from an adequate number of qualified sources, providing
27.9 bidders sufficient response time prior to the date set for opening bids;

27.10 (2) the invitation for bids, which includes any specifications and pertinent attachments,
27.11 must define the items or services in order for the bidder to properly respond;

27.12 (3) all bids will be opened at the time and place prescribed in the invitation for bids, and
27.13 the bids must be opened publicly;

27.14 (4) a firm fixed price contract award will be made in writing to the lowest responsive
27.15 and responsible bidder. Where specified in bidding documents, factors such as discounts,
27.16 transportation cost, and life cycle costs must be considered in determining which bid is
27.17 lowest. Payment discounts will only be used to determine the low bid when prior experience
27.18 indicates that the discounts are usually taken advantage of;

27.19 (5) any or all bids may be rejected if there is a sound documented reason; and

27.20 (6) in order for a sealed bid to be feasible, the following conditions must be present:

27.21 (i) a complete, adequate, and realistic specification or purchase description is available;

27.22 (ii) two or more responsible bidders are willing and able to compete effectively for the
27.23 business; and

27.24 (iii) the procurement lends itself to a firm fixed price contract and the selection of the
27.25 successful bidder can be made principally on the price.

27.26 (b) "Procurement by proposals" means a process in which either a fixed price or
27.27 cost-reimbursement type contract is awarded. Proposals are generally used when conditions
27.28 are not appropriate for the use of sealed bids. They are awarded in accordance with the
27.29 following requirements:

27.30 (1) requests for proposals must be publicized and identify all evaluation factors and their
27.31 relative importance. Proposals must be solicited from an adequate number of qualified

28.1 offerors. Any response to publicized requests for proposals must be considered to the
28.2 maximum extent practical;

28.3 (2) the charter school must have a written method for conducting technical evaluations
28.4 of the proposals received and for making selections; and

28.5 (3) contracts must be awarded to the responsible offeror whose proposal is most
28.6 advantageous to the charter school, with price and other factors considered.

28.7 Sec. 11. Minnesota Statutes 2024, section 124E.26, subdivision 5, is amended to read:

28.8 Subd. 5. **Reduction in aid.** If a charter school makes a purchase with a policy not
28.9 consistent with this section or without a procurement policy adopted by the school's board,
28.10 or makes a purchase not in conformity with the school's procurement policy, the
28.11 commissioner may reduce that charter school's state aid in an amount equal to the purchase.

28.12 Sec. 12. **REVISOR INSTRUCTION.**

28.13 The revisor of statutes shall renumber the section of Minnesota Statutes listed in column
28.14 A with the number listed in column B. The revisor shall also make necessary cross-reference
28.15 changes consistent with the renumbering. The revisor shall also make any technical and
28.16 other changes necessitated by the renumbering and cross-reference changes in this act.

28.17	<u>Column A</u>	<u>Column B</u>
28.18	<u>124E.16, subdivision 3</u>	<u>124E.27</u>

28.19 **ARTICLE 4**
28.20 **THE READ ACT**

28.21 Section 1. Minnesota Statutes 2024, section 120B.119, subdivision 2a, is amended to read:

28.22 Subd. 2a. **Certified trained facilitator.** "Certified trained facilitator" means a person
28.23 employed by a district or regional ~~literacy network~~ service cooperative who has completed
28.24 professional development approved by the Department of Education in structured literacy,
28.25 completed the vendor's certification prerequisites and facilitator training requirements,
28.26 completed the vendor's annual recertification requirements, remains in good standing with
28.27 the sponsoring agency and vendor, uses the vendor's training materials with fidelity, and
28.28 participates in mentoring or coaching provided by CAREI and the Department of Education
28.29 on facilitating literacy training. A literacy lead who meets the requirements under this
28.30 subdivision may be a certified trained facilitator.

28.31 **EFFECTIVE DATE.** This section is effective July 1, 2025.

29.1 Sec. 2. Minnesota Statutes 2024, section 120B.119, subdivision 10, is amended to read:

29.2 Subd. 10. **Oral language.** "Oral language," also called "~~spoken~~ expressive language"
29.3 or "receptive language," includes speaking and listening, and consists of five components:
29.4 phonology, morphology, syntax, semantics, and pragmatics. Oral language also includes
29.5 sign language, in which speaking and listening skills are defined as expressive and receptive
29.6 skills, and consists of phonology, including sign language phonological awareness,
29.7 morphology, syntax, semantics, and pragmatics.

29.8 **EFFECTIVE DATE.** This section is effective July 1, 2025.

29.9 Sec. 3. Minnesota Statutes 2024, section 120B.12, subdivision 1, is amended to read:

29.10 Subdivision 1. **Literacy goal.** (a) The legislature seeks to have every child reading at
29.11 or above grade level every year, beginning in kindergarten, and to support multilingual
29.12 learners and students receiving special education services in achieving their individualized
29.13 reading goals in order to meet grade-level ~~proficiency~~ benchmarks. By the 2026-2027 school
29.14 year, districts must provide evidence-based reading instruction through a focus on student
29.15 mastery of the foundational reading skills of phonemic awareness, phonics, and fluency, as
29.16 well as the development of oral language, vocabulary, and reading comprehension skills.
29.17 Students must receive evidence-based instruction that is proven to effectively teach children
29.18 to read, consistent with sections 120B.118 to 120B.124.

29.19 (b) To meet this goal, each district must provide teachers and instructional support staff
29.20 with responsibility for teaching reading with training on evidence-based reading instruction
29.21 that is approved by the Department of Education by the deadlines provided in section
29.22 120B.123, subdivision 5.

29.23 (c) Districts are strongly encouraged to adopt a MTSS framework. The framework should
29.24 include a process for engaging families and communities, monitoring student progress,
29.25 evaluating program fidelity, and analyzing student outcomes and needs in order to design
29.26 and implement ongoing evidenced-based, culturally relevant instruction and interventions.

29.27 **EFFECTIVE DATE.** This section is effective July 1, 2025.

29.28 Sec. 4. Minnesota Statutes 2024, section 120B.12, subdivision 2, is amended to read:

29.29 Subd. 2. **Identification; report.** (a) Each school district must screen every student
29.30 enrolled in kindergarten, grade 1, grade 2, and grade 3 using a screening tool approved by
29.31 the Department of Education three times each school year: (1) within the first six weeks of
29.32 the school year; (2) by February 15 each year; and (3) within the last six weeks of the school

year. Students enrolled in kindergarten, grade 1, grade 2, and grade 3, including multilingual learners and students receiving special education services, must be universally screened for mastery of foundational reading skills, including phonemic awareness, phonics, decoding, fluency, oral language, and for characteristics of dyslexia as measured by a screening tool approved by the Department of Education. The screening for characteristics of dyslexia may be integrated with universal screening for mastery of foundational skills and oral expressive or receptive language mastery. The screening tool used must be a valid and reliable universal screener that is highly correlated with foundational reading skills. For students reading at grade level, beginning in the winter of grade 1, the oral reading fluency screener may be used to assess reading difficulties, including characteristics of dyslexia, without requiring a separate screening of each subcomponent of foundational reading skills.

(b) A district must submit data on student performance in kindergarten, grade 1, grade 2, and grade 3 on foundational reading skills, including phonemic awareness, phonics, decoding, fluency, and oral language to the Department of Education in the annual local literacy plan submission due on June 15.

~~(b)~~ (c) Students in grades 4 and above, including multilingual learners and students receiving special education services, who do not demonstrate mastery of foundational reading skills, ~~including phonemic awareness, phonics, decoding, fluency, and oral language,~~ must be screened using a screening tool approved by the Department of Education for ~~characteristics of dyslexia~~ reading difficulties, and must continue to receive evidence-based instruction, interventions, and progress monitoring until the students achieve grade-level proficiency. For students reading at grade level, beginning in the winter of grade 1, the oral reading fluency screener may be used to assess reading difficulties, including characteristics of dyslexia, without requiring a separate screening of each subcomponent of foundational reading skills. A parent, in consultation with a teacher, may opt a student out of the literacy screener if the parent and teacher decide that continuing to screen would not be beneficial to the student. In such limited cases, the student must continue to receive progress monitoring and literacy interventions.

~~(c)~~ (d) Reading screeners in English, and in the predominant languages of district students where practicable, must identify and evaluate students' areas of academic need related to literacy. The district also must monitor the progress and provide reading instruction appropriate to the specific needs of multilingual learners. The district must use an approved, developmentally appropriate, and culturally responsive screener and annually report summary screener results to the commissioner by June 15 in the form and manner determined by the commissioner.

(d) (e) The district also must include in its local literacy plan under subdivision 4a, a summary of the district's efforts to screen, identify, and provide interventions to students who demonstrate characteristics of dyslexia as measured by a screening tool approved by the Department of Education. Districts are strongly encouraged to use a MTSS framework. With respect to students screened or identified under paragraph (a), the report must include:

- (1) a summary of the district's efforts to screen for reading difficulties, including dyslexia;
- (2) the number of students universally screened for that reporting year;
- (3) the number of students demonstrating characteristics of dyslexia for that year; and
- (4) an explanation of how students identified under this subdivision are provided with alternate instruction and interventions under section 125A.56, subdivision 1.

EFFECTIVE DATE. This section is effective July 1, 2025.

Sec. 5. Minnesota Statutes 2024, section 120B.12, subdivision 2a, is amended to read:

Subd. 2a. **Parent notification and involvement.** A district must administer an approved reading screener to students in kindergarten through grade 3 within the first six weeks of the school year, by February 15 each year, and again within the last six weeks of the school year. Schools, after administering each screener, must give the parent of each student who is not reading at or above grade level ~~timely~~ information about:

- (1) the student's reading proficiency as measured by a screener approved by the Department of Education;
- (2) reading-related services currently being provided to the student and the student's progress; and
- (3) strategies for parents to use at home in helping their student succeed in becoming grade-level proficient in reading in English and in their native language.

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

EFFECTIVE DATE. This section is effective July 1, 2025.

Sec. 6. Minnesota Statutes 2024, section 120B.12, subdivision 3, is amended to read:

Subd. 3. **Intervention.** (a) For each student identified under subdivision 2, the district shall provide aligned and targeted reading ~~intervention~~ support to accelerate student growth and reach the goal of reading at or above grade level by the end of the current grade and

32.1 school year. A district is encouraged to provide reading intervention through a MTSS
32.2 framework. If a student does not read at or above grade level by the end of the current school
32.3 year, the district must continue to provide aligned and targeted reading ~~intervention~~ support
32.4 as defined by the MTSS framework until the student reads at grade level. If less than 60
32.5 percent of students have reached the benchmark target, class wide Tier 1 interventions must
32.6 be implemented. Students receiving Tier 2 or Tier 3 interventions must receive those
32.7 interventions in addition to Tier 1 instruction. District intervention methods shall encourage
32.8 family engagement and, where possible, collaboration with appropriate school and community
32.9 programs that specialize in evidence-based instructional practices ~~and measure mastery of~~
32.10 ~~foundational reading skills, including phonemic awareness, phonics, decoding, fluency, and~~
32.11 ~~oral language. Intervention may include but is not limited to requiring student attendance~~
32.12 ~~in summer school, intensified reading instruction that may require that the student be removed~~
32.13 ~~from the regular classroom for part of the school day, extended-day programs, or programs~~
32.14 ~~that strengthen students' cultural connections.~~

32.15 ~~(b) A district or charter school is strongly encouraged to provide a personal learning~~
32.16 ~~plan for a student who is unable to demonstrate grade-level proficiency, as measured by the~~
32.17 ~~statewide reading assessment in grade 3 or a screener identified by the Department of~~
32.18 ~~Education under section 120B.123. The district or charter school must determine the format~~
32.19 ~~of the personal learning plan in collaboration with the student's educators and other~~
32.20 ~~appropriate professionals. The school must develop the learning plan in consultation with~~
32.21 ~~the student's parent or guardian. The personal learning plan must include targeted instruction~~
32.22 ~~that is evidence-based and ongoing progress monitoring, and address knowledge gaps and~~
32.23 ~~skill deficiencies through strategies such as specific exercises and practices during and~~
32.24 ~~outside of the regular school day, group interventions, periodic assessments or screeners,~~
32.25 ~~and reasonable timelines. The personal learning plan may include grade retention, if it is in~~
32.26 ~~the student's best interest; a student may not be retained solely due to delays in literacy or~~
32.27 ~~not demonstrating grade-level proficiency. A school must maintain and regularly update~~
32.28 ~~and modify the personal learning plan until the student reads at grade level. This paragraph~~
32.29 ~~does not apply to a student under an individualized education program.~~

32.30 ~~(e)~~ (b) Starting in the ~~2025-2026~~ 2026-2027 school year, a district must use only
32.31 evidence-based literacy interventions. Districts are strongly encouraged to use intervention
32.32 materials approved by the Department of Education under the Read Act.

32.33 ~~(d)~~ (c) Starting in the 2026-2027 school year, to provide a Tier 2 literacy intervention,
32.34 a trained teacher who has completed one of the three approved professional development
32.35 trainings must oversee and monitor the instruction provided by any paraprofessional or

other unlicensed person, including a volunteer, ~~must be supervised by a licensed teacher who has completed training in evidence-based reading instruction approved by the Department of Education, and has completed.~~ A paraprofessional or other unlicensed person, including a volunteer, must complete evidence-based training developed under the Read Act by CAREI or and offered through the regional literacy networks under section 120B.124, subdivision 4, or a training that the department has determined meets or exceeds the requirements of section 120B.124, subdivision 4.

EFFECTIVE DATE. This section is effective July 1, 2025.

Sec. 7. Minnesota Statutes 2024, section 120B.12, subdivision 4, is amended to read:

Subd. 4. Staff development. (a) A district must provide training on evidence-based structured literacy instruction to teachers and instructional staff in accordance with subdivision 1, paragraphs (b) and (c). The training must include teaching in the areas of phonemic awareness, phonics, vocabulary development, reading fluency, reading comprehension, and culturally and linguistically responsive pedagogy.

(b) Each district shall use the data under subdivision 2 to identify the staff development needs so that:

(1) elementary teachers are able to implement explicit, systematic, evidence-based instruction in the five reading areas of phonemic awareness, phonics, fluency, vocabulary, and comprehension with emphasis on mastery of foundational reading skills as defined in section 120B.119 and other literacy-related areas including writing until the student achieves grade-level reading and writing proficiency;

(2) elementary teachers receive training to provide students with evidence-based reading and oral language instruction that meets students' developmental, linguistic, and literacy needs using the intervention methods or programs selected by the district for the identified students;

(3) licensed teachers employed by the district have opportunities to improve reading and writing instruction through approved professional development identified in the local literacy plan;

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

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

(c) A district that offers early childhood programs, including voluntary prekindergarten for eligible four-year-old children, early childhood special education, and school readiness programs, must provide classroom teachers in early childhood programs training approved by the Department of Education to provide children in early childhood programs with explicit, systematic instruction in phonological and phonemic awareness; oral language, including listening comprehension; vocabulary; and letter-sound correspondence.

EFFECTIVE DATE. This section is effective July 1, 2025.

Sec. 8. Minnesota Statutes 2024, section 120B.12, subdivision 4a, is amended to read:

Subd. 4a. Local literacy plan. (a) Consistent with this section, a school district must adopt a local literacy plan to have every child reading at or above grade level every year beginning in kindergarten and to support multilingual learners and students receiving special education services in achieving their individualized reading goals. A district must update and submit the plan to the commissioner by June 15 each year. The plan must be consistent with the Read Act, and include the following:

(1) a process to assess students' foundational reading skills, oral language, and level of reading proficiency and the approved screeners used, by school site and grade level, under section 120B.123;

(2) a process to notify and involve parents;

(3) a description of how schools in the district will determine the targeted reading instruction that is evidence-based and includes an intervention strategy for a student and the process for intensifying or modifying the reading strategy in order to obtain measurable reading progress;

(4) evidence-based intervention methods for students who are not reading at or above grade level and progress monitoring to provide information on the effectiveness of the intervention;

(5) identification of staff development needs, including a plan to meet those needs;

(6) the curricula used by school site and grade level and, if applicable, the district plan and timeline for adopting ~~approved~~ evidence-based curricula and materials starting in the 2025-2026 school year;

(7) a statement of whether the district has adopted a MTSS framework;

(8) student data using the measures of foundational literacy skills and mastery identified by the Department of Education for the following students:

(i) students in kindergarten through grade 3;

(ii) students who demonstrate characteristics of dyslexia; and

(iii) students in grades 4 to 12 who are identified as not reading at grade level;

(9) the number of teachers and other staff who have completed training approved by the department;

(10) the number of teachers and other staff proposed for training in structured literacy; and

(11) how the district used funding provided under the Read Act to implement the requirements of the Read Act.

(b) The district must post its literacy plan on the official school district website and submit it to the commissioner of education using the template developed by the commissioner of education annually beginning June 15, 2024.

(c) ~~By March 1, 2024, the commissioner of education must develop~~ Districts must use a streamlined template developed by the commissioner of education for local literacy plans that meets the requirements of this subdivision and requires all reading instruction and teacher training in reading instruction to be evidence-based. The template must require a district to report information using the student categories required in the commissioner's report under paragraph (d). The template must focus district resources on improving students' foundational reading skills while reducing paperwork requirements for teachers.

(d) By December 1, 2025, the commissioner of education must submit a report to the legislative committees with jurisdiction over prekindergarten through grade 12 education summarizing the local literacy plans submitted to the commissioner. The summary must include the following information:

(1) the number of teachers and other staff, by grade level, who have completed training approved by the Department of Education;

(2) the number of teachers and other staff, by grade level, required to complete the training under section 120B.123, subdivision 5, who have not completed the training;

(3) the number of teachers exempt under section 120B.123, subdivision 5, from completing training approved by the Department of Education;

(4) by school site and grade, the approved screeners and the reading curriculum used;
and

(5) by school site and grade, using the measurements of foundational literacy skills and mastery identified by the department, both aggregated data and disaggregated data on student performance on the approved screeners using the student categories under section 120B.35, subdivision 3, paragraph (a), clause (2).

(e) By December 1, 2026, and December 1, 2027, the commissioner of education must submit updated reports containing the information required under paragraph (d) to the legislative committees with jurisdiction over prekindergarten through grade 12 education.

EFFECTIVE DATE. This section is effective July 1, 2025.

Sec. 9. Minnesota Statutes 2024, section 120B.123, subdivision 1, is amended to read:

Subdivision 1. **Approved screeners.** (a) A district must administer an approved evidence-based reading screener to students in kindergarten through grade 3 within the first six weeks of the school year, by February 15 each year, and again within the last six weeks of the school year. The screener must be one of the screening tools approved by the Department of Education. A district must identify any screener it uses in the district's annual literacy plan, and submit screening data with the annual literacy plan by June 15.

(b) Starting in the 2024-2025 school year, district staff, ~~contractors,~~ and ~~volunteers~~ external partners offering literacy supports in schools may only use screeners that have been approved by the Department of Education.

EFFECTIVE DATE. This section is effective July 1, 2025.

Sec. 10. Minnesota Statutes 2024, section 120B.123, subdivision 5, is amended to read:

Subd. 5. **Professional development.** (a) A district must provide training from a menu of approved evidence-based training programs to the following teachers and staff by July 1, 2026:

(1) reading literacy intervention teachers working with students in kindergarten through grade 12;

(2) all classroom teachers of students in kindergarten through grade 3 and children in prekindergarten programs;

(3) kindergarten through grade 12 special education teachers responsible for literacy instruction;

37.1 (4) curriculum directors;

37.2 (5) instructional support staff, contractors, and volunteers who assist in providing Tier
37.3 2 literacy interventions under the oversight and monitoring of a trained licensed teacher;

37.4 (6) employees who select literacy instructional materials for a district; and

37.5 (7) teachers licensed to teach English to multilingual learners.

37.6 (b) A district must provide training from a menu of approved evidence-based training
37.7 programs to the following teachers by July 1, 2027:

37.8 (1) teachers who provide reading instruction to students in grades 4 to 12; and

37.9 (2) teachers who provide instruction to students in a state-approved alternative program.

37.10 (c) The commissioner of education may grant a district an extension to the deadlines in
37.11 this subdivision.

37.12 (d) Training provided by a department-approved certified trained facilitator may satisfy
37.13 the professional development requirements under this subdivision.

37.14 (e) For the 2024-2025 school year only, the hours of instruction requirement under
37.15 section 120A.41 for students in an elementary school, as defined in section 120A.05,
37.16 subdivision 9, is reduced by 5-1/2 hours for a district that enters into an agreement with the
37.17 exclusive representative of the teachers that requires teachers to receive at least 5-1/2 hours
37.18 of approved evidence-based training required under this subdivision, on a day when other
37.19 students in the district receive instruction. If a charter school's teachers are not represented
37.20 by an exclusive representative, the charter school may reduce the number of instructional
37.21 hours for students in an elementary school, as defined in section 120A.05, subdivision 9,
37.22 by 5-1/2 hours after consulting with its teachers in order to provide teachers with at least
37.23 5-1/2 hours of evidence-based training required under this subdivision on a day when other
37.24 students receive instruction.

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

37.26 Sec. 11. Minnesota Statutes 2024, section 120B.123, subdivision 7, is amended to read:

37.27 Subd. 7. **Department of Education.** (a) By July 1, 2023, the department must make
37.28 available to districts a list of approved evidence-based screeners in accordance with section
37.29 120B.12. A district must use an approved screener to assess students' mastery of foundational
37.30 reading skills in accordance with section 120B.12.

(b) The Department of Education must partner with CAREI as required under section 120B.124 to approve professional development programs, subject to final determination by the department. After the implementation partnership under section 120B.124 ends, the department must continue to regularly provide districts with information about professional development opportunities available throughout the state on reading instruction that is evidence-based.

(c) The department and CAREI must identify training required for a literacy lead and literacy specialist employed by a district or Minnesota service cooperatives.

(d) The department must employ one or more literacy specialists to provide support to districts implementing the Read Act and coordinate duties assigned to the department under the Read Act. The literacy specialist must work on state efforts to improve literacy tracking and implementation.

(e) The department must develop a template for a local literacy plan in accordance with section 120B.12, subdivision 4a.

(f) The department must partner with CAREI as required under section 120B.124 to approve literacy intervention models, subject to final determination by the department. The department must make a list of the 15 approved evidence-based intervention models available to districts as they are approved by the department and CAREI, starting November 1, 2025. Upon approval of the evidence-based intervention models, the department must ensure the models are reviewed by a contracted third party for culturally responsive guidance and materials, and make those findings available to districts once the review process is complete. The department must notify districts of the two-step review process for all materials approved under the Read Act for effectiveness as evidence-based structured literacy, and for cultural responsiveness.

(g) The department and CAREI must provide ongoing coaching, mentoring, and support to certified trained facilitators.

EFFECTIVE DATE. This section is effective July 1, 2025.

Sec. 12. Minnesota Statutes 2024, section 120B.124, subdivision 2, is amended to read:

Subd. 2. **Reconsideration Curriculum review cycle.** ~~(a) Every five years, starting July 1, 2030,~~ the department and CAREI must provide districts an opportunity to request that the department and CAREI add to the list of reviewed curricula ~~or professional development and intervention programs a specific curriculum or professional development program.~~ The department must publish the request for reconsideration procedure on the department website.

by July 1, 2029. A request for reconsideration must demonstrate that the curriculum or professional development intervention program meets the requirements of the Read Act, is evidence-based, and has structured literacy components. ~~The department and CAREI must review the request for reconsideration and approve or deny the request within 60 days. The review process must use the rubric used to approve curriculum under subdivision 1 with the addition of culturally responsive criteria as determined by the third-party review.~~

~~(b) The department and CAREI must conduct a final curriculum review of previously submitted curriculum by March 3, 2025, to review curriculum that is available to districts at no cost.~~

EFFECTIVE DATE. This section is effective July 1, 2025.

Sec. 13. Minnesota Statutes 2024, section 124D.42, subdivision 8, is amended to read:

Subd. 8. **Minnesota reading corps program.** (a) A Minnesota reading corps program is established to provide ServeMinnesota AmeriCorps members with a data-based problem-solving model of literacy instruction to use in helping to train local Head Start program providers, other prekindergarten program providers, and staff in schools with students in kindergarten through grade 3 to evaluate and teach early literacy skills, including evidence-based literacy instruction under sections 120B.118 to 120B.124, to children age 3 to grade 3 and interventions for children in kindergarten to grade 3.

(b) Literacy programs under this subdivision must comply with the provisions governing literacy program goals and data use under section 142D.12, subdivision 3, paragraph (b).

(c) Literacy programs under this subdivision must use a department-approved screener, evidence-based reading instruction, and interventions focused on structured literacy. ServeMinnesota must demonstrate to the department that the training AmeriCorps members receive meets or exceeds the requirements of section 120B.124, subdivision 4, for volunteers. Minnesota Reading Corps AmeriCorps members are not required to complete the training under section ~~120B.24~~ 120B.124, subdivision 4.

(d) The commission must submit a biennial report to the committees of the legislature with jurisdiction over kindergarten through grade 12 education that records and evaluates program data to determine the efficacy of the programs under this subdivision.

EFFECTIVE DATE. This section is effective July 1, 2025.

Sec. 14. **REPEALER.**

Minnesota Statutes 2024, section 120B.124, subdivision 6, is repealed.

ARTICLE 5**SPECIAL EDUCATION**

Section 1. Minnesota Statutes 2024, section 121A.49, is amended to read:

121A.49 APPEAL.

A party to an exclusion or expulsion decision made under sections 121A.40 to 121A.56 may appeal the decision to the commissioner of education within 21 calendar days of school board action. Upon being served with a notice of appeal, the district shall provide the commissioner and the parent or guardian with a complete copy of the hearing record, including a written transcript of the expulsion hearing, within five days of its receipt of the notice of appeal. All written submissions by the appellant must be submitted and served on the respondent within ten days of its actual receipt of the hearing record, including the written transcript. All written submissions by the respondent must be submitted and served on the appellant within ten days of its actual receipt of the written submissions of the appellant. The decision of the school board must be implemented during the appeal to the commissioner.

In an appeal under this section, the commissioner may affirm the decision of the agency, may remand the decision for additional findings, or may reverse or modify the decision if the substantial rights of the petitioners have been prejudiced because the administrative findings, inferences, conclusions, or decisions are:

- (1) in violation of constitutional provisions;
- (2) in excess of the statutory authority or jurisdiction of the school district;
- (3) made upon unlawful procedure, except as provided in section 121A.48;
- (4) affected by other error of law;
- (5) unsupported by substantial evidence in view of the entire record submitted; or
- (6) arbitrary or capricious.

The commissioner or the commissioner's representative shall make a final decision based upon the record. The commissioner shall issue a decision within 30 calendar days of receiving the entire record and the parties' written submission on appeal. The commissioner's decision shall be final and binding upon the parties after the time for appeal expires under section 121A.50.

41.1 Sec. 2. Minnesota Statutes 2024, section 125A.091, subdivision 3a, is amended to read:

41.2 Subd. 3a. **Additional requirements for prior written notice.** In addition to federal law
41.3 requirements, a prior written notice shall:

41.4 (1) inform the parent that except for the initial ~~placement of a child in special education~~
41.5 evaluation and the initial provision of special education and related services generally, the
41.6 school district will proceed with its proposal ~~for the child's placement or for providing~~
41.7 ~~special education services~~ unless the child's parent notifies the district of an objection within
41.8 14 days of when the district sends the prior written notice to the parent; and

41.9 (2) state that a parent who objects to a proposal or refusal in the prior written notice
41.10 may:

41.11 (i) request a conciliation conference under subdivision 7 or another alternative dispute
41.12 resolution procedure under subdivision 8 or 9; or

41.13 (ii) identify the specific part of the proposal or refusal the parent objects to and request
41.14 a meeting with appropriate members of the individualized education program team.

41.15 Sec. 3. Minnesota Statutes 2024, section 125A.091, subdivision 5, is amended to read:

41.16 Subd. 5. **Initial action; parent consent.** (a) A district must make reasonable efforts to
41.17 obtain written consent from the parent for an initial evaluation to determine whether their
41.18 child is a child with a disability.

41.19 (b) If the initial evaluation determines that the child qualifies as a child with a disability
41.20 under section 125A.02, the district must make reasonable efforts to obtain the written consent
41.21 of the child's parent for the initial provision of special education and related services
41.22 generally.

41.23 ~~(a)~~ (c) The district must not proceed with the initial evaluation of a child, ~~the initial~~
41.24 ~~placement of a child in a special education program, or the initial provision of special~~
41.25 ~~education services for a child~~ or the initial provision of special education and related services
41.26 to a child generally, without the prior written consent of the child's parent. The district is
41.27 not required to obtain the written consent of the child's parent to the particular special
41.28 education and related services proposed in the initial individualized education program but
41.29 must provide prior written notice consistent with federal requirements and the additional
41.30 requirements under subdivision 3a.

41.31 (d) Parental consent for the initial evaluation must not be construed as consent for the
41.32 initial provision of special education and related services generally.

(e) A district may not override the written refusal of a parent to consent to an initial evaluation or reevaluation.

(f) If the parent of a child fails to respond to a request for, or refuses to consent to, the initial provision of special education and related services generally, the district:

(1) may not use mediation or request a due process hearing in order to obtain agreement or a ruling that services may be provided to the child;

(2) will not be considered in violation of the responsibility to make a free appropriate public education available to the child; and

(3) is not required to convene an individualized education program team meeting or develop an initial individualized education program for the child.

~~(b)~~ (g) A parent, after consulting with health care, education, or other professional providers, may agree or disagree to provide the parent's child with sympathomimetic medications unless section 144.344 applies.

Sec. 4. [125A.092] STATE COMPLAINT PROCESS.

Subd. 1. **Filing a state complaint.** (a) An organization or individual may file a signed, written complaint with the Department of Education, Office of General Counsel, Dispute Resolution.

(b) The complaint must include:

(1) a statement that a public agency, lead agency, or early intervention services provider has violated a requirement of Part B or Part C of the federal Individuals with Disabilities Education Act;

(2) the facts on which the statement is based;

(3) the signature and contact information for the complainant;

(4) if alleging violations with respect to a specific child:

(i) the name and address of the residence of the child;

(ii) the name of the school the child is attending, or the name of the early intervention services provider serving the child; and

(iii) in the case of a homeless child or youth within the meaning of section 725(2) of the McKinney-Vento Homeless Assistance Act, United States Code, title 42, section 11434(a)(2), the available contact information for the child and the name of the school the child is attending;

43.1 (5) a description of the nature of the problem of the child, including facts relating to the
43.2 problem; and

43.3 (6) a proposed resolution of the problem to the extent known and available to the party
43.4 at the time the complaint is filed.

43.5 (c) The complaint must allege a violation that occurred not more than one year prior to
43.6 the date that the complaint is received.

43.7 (d) The party filing the complaint must forward a copy of the complaint to the local
43.8 educational agency, public agency, or early intervention services provider serving the child
43.9 at the same time the party files the complaint with the Department of Education.

43.10 Subd. 2. **Remedies.** In resolving a complaint in which the Department of Education has
43.11 found a failure to provide appropriate services, the Department of Education, pursuant to
43.12 its general supervisory authority under Part B and Part C of the federal Individuals with
43.13 Disabilities Education Act, must address:

43.14 (1) the failure to provide appropriate services, including corrective action appropriate
43.15 to address the needs of the child, compensatory services, or monetary reimbursement; and

43.16 (2) appropriate future provision of services for all children with disabilities.

43.17 Subd. 3. **Time limit and procedures.** (a) Within 60 days after a complaint is filed, the
43.18 Department of Education must:

43.19 (1) carry out an independent on-site investigation if the Department of Education
43.20 determines that an investigation is necessary;

43.21 (2) give the complainant the opportunity to submit additional information, either orally
43.22 or in writing, about the allegations in the complaint;

43.23 (3) provide the public agency, lead agency, or early intervention services provider with
43.24 the opportunity to respond to the complaint, including at a minimum:

43.25 (i) at the discretion of the Department of Education, a proposal to resolve the complaint;
43.26 and

43.27 (ii) an opportunity for a parent who has filed a complaint and the public agency, lead
43.28 agency, or early intervention services provider to voluntarily engage in mediation consistent
43.29 with section 125A.091, subdivision 9;

43.30 (4) review all relevant information and make an independent determination as to whether
43.31 the public agency, lead agency, or early intervention services provider is violating a

44.1 requirement of Part B or Part C of the federal Individuals with Disabilities Education Act;
44.2 and

44.3 (5) issue a written decision to the complainant that addresses each allegation in the
44.4 complaint and contains:

44.5 (i) findings of fact and conclusions; and

44.6 (ii) the reasons for the Department of Education's final decision.

44.7 (b) An extension of the time limit is allowed only if:

44.8 (1) exceptional circumstances exist with respect to a particular complaint; or

44.9 (2) the parent, individual, or organization and the local educational agency, public agency,
44.10 or early intervention services provider involved agree to extend the time to engage in
44.11 mediation pursuant to section 125A.091, subdivision 9, or a facilitated team meeting pursuant
44.12 to section 125A.091, subdivision 11.

44.13 Subd. 4. **Complaints and due process hearings.** (a) If a written complaint is received
44.14 that is also the subject of a due process hearing under section 125A.091, subdivision 12, or
44.15 that contains multiple issues of which one or more are part of that hearing, the Department
44.16 of Education must set aside any part of the complaint that is being addressed in the due
44.17 process hearing until the conclusion of the hearing. However, any issue in the complaint
44.18 that is not a part of the due process action must be resolved using the time limit and
44.19 procedures described in paragraphs (c) and (d).

44.20 (b) If an issue raised in a complaint filed under this section has previously been decided
44.21 in a due process hearing involving the same parties:

44.22 (1) the due process hearing decision is binding on that issue; and

44.23 (2) the Department of Education must inform the complainant to that effect.

44.24 (c) If the local educational agency, public agency, or early intervention services provider
44.25 fails to implement the due process hearing decision, an individual or organization may file
44.26 a state complaint with the Department of Education alleging the agency or provider's failure
44.27 to implement the due process hearing decision.

ARTICLE 6**SCHOOL NUTRITION**

Section 1. Minnesota Statutes 2024, section 124D.117, subdivision 2, is amended to read:

Subd. 2. **Exemption.** Subdivision 1 does not apply to ~~a school in which fewer than 25 pupils are expected to take part in the program~~ schools that participate in the free school meals program under section 124D.111. It also does not apply to a district that does not participate in the national school lunch program.

Sec. 2. Minnesota Statutes 2024, section 124D.119, subdivision 5, is amended to read:

Subd. 5. **Summer Food Service Program locations.** Consistent with Code of Federal Regulations, title 7, section ~~225.6(d)(1)(ii)~~ 225, the Department of Education must not approve a new Summer Food Service Program open site that is within a half-mile radius of an existing Summer Food Service Program open site. The department may approve a new Summer Food Service Program open site within a half-mile radius only if the new program will not be serving the same group of children for the same meal type or if there are safety issues that could present barriers to participation.

ARTICLE 7**STATE AGENCIES**

Section 1. Minnesota Statutes 2024, section 13.32, subdivision 5, is amended to read:

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

(1) this subdivision; and

(2) United States Code, title 20, section 1232g, and Code of Federal Regulations, title 34, section 99.37, which were in effect on January 3, 2012.

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

(c) An educational agency or institution may not designate a student's home address, telephone number, email address, or other personal contact information as directory

information under this subdivision. This paragraph does not apply to a postsecondary institution.

(d) When requested, educational agencies or institutions must share personal student contact information and directory information, whether public or private, with the Minnesota Department of Education, as required for federal reporting purposes.

(e) When requested, and in accordance with requirements for parental consent in the Code of Federal Regulations, title 34, section 300.622 (b)(2) and part 99, educational agencies or institutions may share personal student contact information and directory information for students served in special education with postsecondary transition planning and services under section 125A.08, paragraph (b), clause (1), whether public or private, with the Department of Employment and Economic Development, as required for coordination of services to students with disabilities under sections 125A.08, paragraph (b), clause (1); 125A.023; and 125A.027.

Sec. 2. [13.3211] DEPARTMENT OF EDUCATION OFFICE OF THE INSPECTOR GENERAL; INVESTIGATIVE DATA.

(a) Data on persons that are collected, maintained, used, or disseminated by the Department of Education in an investigation conducted under section 127A.21 are confidential data on individuals pursuant to section 13.02, subdivision 3, or protected nonpublic data on an individual pursuant to section 13.02, subdivision 13, and shall not be disclosed except:

(1) pursuant to section 13.05;

(2) pursuant to statute or valid court order;

(3) to a party named in a civil or criminal proceeding for preparation of a defense;

(4) to an investigator acting on behalf of a county, state, or federal government, including a law enforcement officer or attorney in the investigation or prosecution of a criminal, civil, or administrative proceeding, unless the inspector general determines that disclosure may compromise an investigation; or

(5) to provide notices required or permitted by statute.

(b) The data referred to in this section shall be classified as public data upon submission to a court in a civil or criminal proceeding, or when the investigation is no longer being pursued actively, except that the data shall be disclosed as required to comply with section 6.67 or 609.456, unless chapter 13 provides otherwise.

(c) Notwithstanding paragraph (a), the existence of an investigation conducted by the Office of the Inspector General or withholding of payment by the commissioner may be disclosed if the commissioner, after consulting with the inspector general, determines that it will not compromise the investigation.

Sec. 3. Minnesota Statutes 2024, section 13.82, subdivision 1, is amended to read:

Subdivision 1. **Application.** This section shall apply to agencies which carry on a law enforcement function, including but not limited to municipal police departments, county sheriff departments, fire departments, the Bureau of Criminal Apprehension, the Minnesota State Patrol, the Board of Peace Officer Standards and Training, the Department of Commerce, the Office of the Inspector General within the Department of Education, and county human service agency client and provider fraud investigation, prevention, and control units operated or supervised by the Department of Human Services.

Sec. 4. Minnesota Statutes 2024, section 120B.021, subdivision 3, is amended to read:

Subd. 3. **Rulemaking.** (a) The commissioner, consistent with the requirements of this section and section 120B.022, must adopt statewide rules under, and may use the process outlined in, section 14.389, for implementing statewide rigorous core academic standards in language arts, mathematics, science, social studies, physical education, and the arts.

(b) The commissioner must adopt statewide rules for implementing statewide rigorous core academic standards in health.

Sec. 5. Minnesota Statutes 2024, section 120B.117, subdivision 4, is amended to read:

Subd. 4. **Reporting.** ~~The Professional Educator Licensing and Standards Board~~ Department of Education must collaborate with the ~~Department of Education Professional Educator Licensing and Standards Board~~ and the Office of Higher Education to publish a summary report of each of the programs they administer and any other programs receiving state appropriations that have or include an explicit purpose of increasing the racial and ethnic diversity of the state's teacher workforce to more closely reflect the diversity of students. The report must include programs under sections 122A.59, 122A.63, 122A.635, 122A.70, 122A.73, 124D.09, 124D.861, 136A.1274, 136A.1276, and 136A.1791, along with any other programs or initiatives that receive state appropriations to address the shortage of teachers of color and American Indian teachers. ~~The board~~ commissioner must, in coordination with the Professional Educator Licensing and Standards Board and the Office of Higher Education ~~and Department of Education~~, provide policy and funding

recommendations related to state-funded programs to increase the recruitment, preparation, licensing, hiring, and retention of racially and ethnically diverse teachers and the state's progress toward meeting or exceeding the goals of this section. The report must include recommendations for state policy and funding needed to achieve the goals of this section, plans for sharing the report and activities of grant recipients, and opportunities among grant recipients of various programs to share effective practices with each other. The initial report must also include a recommendation of whether a state advisory council should be established to address the shortage of racially and ethnically diverse teachers and what the composition and charge of such an advisory council would be if established. The board must consult with the Indian Affairs Council and other ethnic councils along with other community partners, including students of color and American Indian students, in developing the report. The ~~board~~ commissioner must submit the report to the chairs and ranking minority members of the legislative committees with jurisdiction over education and higher education policy and finance by November 3, 2025, for the initial report, and by November 3 each even-numbered year thereafter. The report must be available to the public on the ~~board's~~ commissioner's website.

Sec. 6. Minnesota Statutes 2024, section 127A.21, subdivision 1, is amended to read:

Subdivision 1. **Establishment of Office of the Inspector General; powers; duties.** The commissioner must establish within the department an Office of the Inspector General. The inspector general shall report directly to the commissioner. The Office of the Inspector General is charged with protecting the integrity of the department and the state by detecting and preventing fraud, theft, waste, and abuse in department programs. The Office of the Inspector General must conduct independent and objective investigations to promote the integrity of the department's programs and operations. When fraud, theft, or other misuse of public funds is detected, the Office of the Inspector General must report it to the appropriate law enforcement entity and collaborate and cooperate with law enforcement to assist in the investigation and any subsequent civil and criminal prosecution.

Sec. 7. Minnesota Statutes 2024, section 127A.21, subdivision 1a, is amended to read:

Subd. 1a. **Definitions.** (a) For purposes of this section, the following terms have the meanings given.

(b) "Abuse" means actions that may, directly or indirectly, result in unnecessary costs to department programs. Abuse may involve paying for items or services when there is no legal entitlement to that payment, or behavior that is deficient or improper when compared

49.1 with behavior that a prudent person would consider a reasonable and necessary business
49.2 practice given the facts and circumstances. Abuse includes but is not limited to:

49.3 (1) obtaining or attempting to obtain department program funds when required
49.4 information is missing or incorrect;

49.5 (2) failing to correct errors in the filing or maintenance of records in a timely manner
49.6 after a request by the department;

49.7 (3) obtaining or attempting to obtain department program funds that overstate the level
49.8 or amount that is allowed to be reimbursed under law, program rules, or contract;

49.9 (4) obtaining or attempting to obtain grant funds from the department program by means
49.10 that are not allowed or do not comply with grant requirements;

49.11 (5) failing to disclose or make available requested records to the department pursuant
49.12 to law, program rules, or contract;

49.13 (6) refusing to provide access to records as required by subdivision 4;

49.14 (7) failing to keep or maintain records as required by law, rule, or contract; and

49.15 (8) a program participant seeking department program funds after being excluded.

49.16 (c) "Department program" means a program funded by the Department of Education
49.17 that involves the transfer or disbursement of public funds or other resources to a program
49.18 participant. "Department program" includes state and federal aids or grants received by a
49.19 school district or charter school or other program participant.

49.20 (d) "Excluded" means removed by any means from a program administered by a
49.21 Minnesota state agency or federal agency.

49.22 ~~(d)~~ (e) "Fraud" means an intentional or deliberate act to deprive another of property or
49.23 money or to acquire property or money by deception or other unfair means. Fraud includes
49.24 intentionally submitting false information to the department for the purpose of either
49.25 obtaining a greater compensation or benefit than that to which the person program participant
49.26 is legally entitled or hiding the misuse of funds. ~~Fraud also includes failure to correct errors~~
49.27 ~~in the maintenance of records in a timely manner after a request by the department.~~ Fraud
49.28 also includes acts that constitute a crime against any program, or attempts or conspiracies
49.29 to commit those crimes, including but not limited to the following:

49.30 (1) theft in violation of section 609.52;

49.31 (2) perjury in violation of section 609.48; and

50.1 (3) aggravated forgery and forgery in violation of sections 609.625 and 609.63.

50.2 ~~(e)~~ (f) "Investigation" means an audit, investigation, proceeding, or inquiry by the Office
50.3 of the Inspector General related to a program participant in a department program.

50.4 ~~(f)~~ (g) "Program participant" means any entity or person, including associated entities
50.5 or persons, that receives, disburses, or has custody of funds or other resources transferred
50.6 or disbursed under a department program. Associated persons or entities include but are not
50.7 limited to vendors or other entities or persons that contract with recipients of department
50.8 program funds.

50.9 (h) "Theft" means the act defined in section 609.52, subdivision 2.

50.10 ~~(g)~~ (i) "Waste" means practices that, directly or indirectly, result in unnecessary costs
50.11 to department programs, such as misusing resources. Waste includes an attempt or act using
50.12 or expending resources carelessly, extravagantly, or to no purpose.

50.13 ~~(h)~~ (j) For purposes of this section, neither "fraud," "theft," "waste," nor "abuse" includes
50.14 decisions on instruction, curriculum, personnel, or other discretionary policy decisions made
50.15 by a school district, charter school, cooperative unit as defined by section 123A.24,
50.16 subdivision 2, or any library, library system, or library district defined in section 134.001.

50.17 Sec. 8. Minnesota Statutes 2024, section 127A.21, subdivision 4, is amended to read:

50.18 Subd. 4. **Access to records.** (a) For purposes of an investigation, and regardless of the
50.19 data's classification under chapter 13, the Office of the Inspector General shall have access
50.20 to all relevant books, accounts, documents, data, and property related to department programs
50.21 that are maintained by a program participant, charter school, or government entity as defined
50.22 by section 13.02.

50.23 (b) Notwithstanding paragraph (a), the Office of the Inspector General must issue a
50.24 subpoena under subdivision 3 in order to access routing and account numbers to which
50.25 Department of Education funds have been disbursed.

50.26 (c) Records requested by the Office of the Inspector General under this subdivision shall
50.27 be provided in a format, place, and time frame reasonably requested by the Office of the
50.28 Inspector General.

50.29 (d) The department may enter into specific agreements with other state agencies related
50.30 to records requests by the Office of the Inspector General.

50.31 (e) In an investigation, program participants must give the Office of the Inspector General
50.32 immediate access without prior notice to any locations of potential record storage and the

51.1 records themselves, whether physical or electronic, during regular business hours, and to
51.2 any records related to a department program. Denying the Office of the Inspector General
51.3 access to requested records is cause for immediate suspension of payment.

51.4 (f) The Office of the Inspector General, at its own expense, may photocopy or otherwise
51.5 duplicate any record related to a department program. Photocopying or electronic duplication
51.6 shall be done on the program participant's premises when immediate access is requested,
51.7 unless removal is specifically permitted by the program participant. If requested, a program
51.8 participant must help the Office of the Inspector General duplicate any department program
51.9 record or other records related to a department program's operation, including hard copies
51.10 or electronically stored data, on the day when access is requested.

51.11 Sec. 9. Minnesota Statutes 2024, section 127A.21, subdivision 5, is amended to read:

51.12 Subd. 5. **Sanctions; appeal.** (a) This subdivision does not authorize any sanction that
51.13 reduces, pauses, or otherwise interrupts state or federal aid to a school district, charter school,
51.14 cooperative unit as defined by section 123A.24, subdivision 2, or any library, library system,
51.15 or library district defined in section 134.001.

51.16 (b) The inspector general may recommend that the commissioner impose appropriate
51.17 ~~temporary sanctions, including withholding of payments under the department program, on~~
51.18 ~~a program participant pending an investigation by the Office of the Inspector General if:~~

51.19 ~~(1) during the course of an investigation, the Office of the Inspector General finds credible~~
51.20 ~~indicia of fraud, waste, or abuse by the program participant;~~

51.21 ~~(2) (1) there has been a criminal, civil, or administrative adjudication of fraud, theft,~~
51.22 ~~waste, or abuse against the program participant in Minnesota or in another state or~~
51.23 ~~jurisdiction; or~~

51.24 ~~(3) the program participant was receiving funds under any contract or registered in any~~
51.25 ~~program administered by another Minnesota state agency, a government agency in another~~
51.26 ~~state, or a federal agency, and was excluded from that contract or program for reasons~~
51.27 ~~credibly indicating fraud, waste, or abuse by the program participant; or~~

51.28 ~~(4) (2) the program participant has a pattern of noncompliance with an investigation.~~

51.29 (c) If an investigation finds, by a preponderance of the evidence, fraud, theft, waste, or
51.30 abuse by a program participant, the inspector general may, after reviewing all facts and
51.31 evidence and when acting judiciously on a case-by-case basis, recommend that the
51.32 commissioner impose appropriate sanctions on the program participant.

(d) Unless prohibited by law, the commissioner has the authority to implement recommendations by the inspector general, including imposing appropriate sanctions; ~~temporarily or otherwise,~~ on a program participant. Sanctions may include ending program participation, stopping disbursement of funds or resources, monetary recovery, and termination of department contracts with the participant for any current or future department program or contract. A sanction may be imposed for up to the longest period permitted by state or federal law. Sanctions authorized under this subdivision are in addition to other remedies and penalties available under law.

(e) If the commissioner imposes sanctions on a program participant under this subdivision, the commissioner must notify the participant in writing within seven business days of imposing the sanction, unless requested in writing by a law enforcement agency to temporarily delay issuing the notice to prevent disruption of an ongoing law enforcement agency investigation. A notice of sanction must state:

(1) the sanction being imposed;

(2) the general allegations that form the basis for the sanction;

(3) the duration of the sanction;

(4) the department programs to which the sanction applies; and

(5) how the program participant may appeal the sanction pursuant to paragraph (e).

(f) A program participant sanctioned under this subdivision may, within 30 days after the date the notice of sanction was mailed to the participant, appeal the determination by requesting in writing that the commissioner initiate a contested case proceeding under chapter 14. The scope of any contested case hearing is limited to the sanction imposed under this subdivision. An appeal request must specify with particularity each disputed item, the reason for the dispute, and must include the name and contact information of the person or entity that may be contacted regarding the appeal.

(g) The commissioner shall lift sanctions imposed under this subdivision if the Office of the Inspector General determines there is insufficient evidence of fraud, theft, waste, or abuse by the program participant. The commissioner must notify the participant in writing within seven business days of lifting the sanction.

Sec. 10. Minnesota Statutes 2024, section 127A.21, subdivision 6, is amended to read:

Subd. 6. **Data practices.** (a) It is not a violation of rights conferred by chapter 13 or any other statute related to the confidentiality of government data for a government entity as defined in section 13.02 to provide data or information under this section.

(b) The inspector general is subject to the Government Data Practices Act, chapter 13, and shall protect from unlawful disclosure data classified as not public. Data collected, created, received, or maintained by the inspector general relating to an audit, investigation, proceeding, or inquiry are subject to ~~section 13.39~~ sections 13.3211 and 13.82.

Sec. 11. Minnesota Statutes 2024, section 127A.21, subdivision 7, is amended to read:

Subd. 7. ~~**Retaliation, Interference prohibited.** (a) An employee or other individual who discloses information to the Office of the Inspector General about fraud, waste, or abuse in department programs is protected under section 181.932, governing disclosure of information by employees.~~

~~(b)~~ No state employee may interfere with or obstruct an investigation authorized by this section.

Sec. 12. Minnesota Statutes 2024, section 127A.21, is amended by adding a subdivision to read:

Subd. 8. **Immunity and confidentiality.** (a) A person who makes a good faith report is immune from any civil liability that might otherwise arise from reporting or participating in the investigation. Nothing in this subdivision affects an individual's or entity's responsibility for any monetary recovery under existing law or contractual obligation when receiving public funds.

(b) For purposes of this subdivision, "person" means a natural person.

(c) After an investigation is complete, the reporter's name and any identifying information must be kept confidential. The subject of the report may compel disclosure of the reporter's name only with the consent of the reporter or upon a written finding by a district court that the report was false and there is evidence that the report was made in bad faith. This subdivision does not alter disclosure responsibilities or obligations under the Rules of Criminal Procedure, except that when the identity of the reporter is relevant to a criminal prosecution the district court shall conduct an in-camera review before determining whether to order disclosure of the reporter's identity.

54.1 Sec. 13. Minnesota Statutes 2024, section 127A.21, is amended by adding a subdivision
54.2 to read:

54.3 Subd. 9. **Limits on receiving public funds; prohibition.** (a) This subdivision does not
54.4 authorize any action that reduces, pauses, or otherwise interrupts state or federal aid to a
54.5 school district, charter school, cooperative unit as defined in section 123A.24, subdivision
54.6 2, or any library, library system, or library district defined in section 134.001.

54.7 (b) For purposes of this subdivision, "program participant" includes individuals or persons
54.8 who have an ownership interest in, control of, or the ability to control a program participant
54.9 in a department program.

54.10 (c) If a program participant is excluded from a department program, the inspector general
54.11 shall notify the commissioner, who shall:

54.12 (1) prohibit the excluded program participant from enrolling in, receiving grant money
54.13 from, or registering in any other program administered by the commissioner; and

54.14 (2) disenroll or disqualify the excluded program participant from any other program
54.15 administered by the commissioner.

54.16 (d) If a program participant enrolled, licensed, or receiving funds under any contract or
54.17 program administered by a Minnesota state agency or federal agency is excluded from that
54.18 program, the inspector general shall notify the commissioner, who may:

54.19 (1) prohibit the excluded program participant from enrolling in, becoming licensed,
54.20 receiving grant money from, or registering in any other program administered by the
54.21 commissioner; and

54.22 (2) disenroll or disqualify the excluded program participant from any other program
54.23 administered by the commissioner.

54.24 (e) The duration of a prohibition, disenrollment, revocation, suspension, or
54.25 disqualification under paragraph (c) must last for the longest applicable sanction or
54.26 disqualifying period in effect for the program participant permitted by state or federal law.
54.27 The duration of a prohibition, disenrollment, revocation, suspension, or disqualification
54.28 under paragraph (d) may last up until the longest applicable sanction or disqualifying period
54.29 in effect for the program participant as permitted by state or federal law.

55.1 Sec. 14. Minnesota Statutes 2024, section 127A.21, is amended by adding a subdivision
55.2 to read:

55.3 Subd. 10. **Notice.** Within five days of taking an action against a program participant
55.4 under subdivision 9, paragraph (c) or (d), the commissioner must send notice of the action
55.5 to the program participant. The notice must state:

55.6 (1) the basis for the action;

55.7 (2) the effective date of the action;

55.8 (3) the right to appeal the action; and

55.9 (4) the requirements and procedures for reinstatement.

55.10 Sec. 15. Minnesota Statutes 2024, section 127A.21, is amended by adding a subdivision
55.11 to read:

55.12 Subd. 11. **Appeal.** (a) Upon receipt of a notice under subdivision 10, a program
55.13 participant may request a contested case hearing, as defined in section 14.02, subdivision
55.14 3, by filing with the commissioner a written request of appeal. The appeal request must be
55.15 received by the commissioner no later than 30 days after the date the notification was mailed
55.16 to the program participant.

55.17 (b) The appeal request must specify: (1) each disputed item and the reason for the dispute;
55.18 (2) the authority in statute or rule upon which the program participant relies for each disputed
55.19 item; (3) the name and address of the person or entity with whom contacts may be made
55.20 regarding the appeal; and (4) other information required by the commissioner.

55.21 (c) Unless timely and proper appeal is received by the commissioner, the action of the
55.22 commissioner shall be considered final and binding on the effective date of the action as
55.23 stated in the notice under subdivision 10, clause (2).

55.24 Sec. 16. Minnesota Statutes 2024, section 127A.21, is amended by adding a subdivision
55.25 to read:

55.26 Subd. 12. **Withholding of payments.** (a) This subdivision does not authorize withholding
55.27 of payments that reduces, pauses, or otherwise interrupts state or federal aid to a school
55.28 district, charter school, cooperative unit as defined in section 123A.24, subdivision 2, or
55.29 any library, library system, or library district defined in section 134.001.

55.30 (b) Except as otherwise provided by state or federal law, the inspector general shall
55.31 notify and recommend to the commissioner to withhold payments to a program participant

in any program administered by the commissioner, to the extent permitted under federal law, if the commissioner determines there is a credible allegation of fraud or theft for which an investigation is pending for a program administered by the department, a Minnesota state agency, or a federal agency.

(c) Allegations are considered credible when they have indicia of reliability and the inspector general has reviewed the evidence and acts on a case-by-case basis. A credible allegation of fraud is an allegation that has been verified by the commissioner from any source, including but not limited to:

(1) fraud hotline complaints;

(2) claims data mining; and

(3) patterns identified through provider audits, civil false claims cases, and investigations.

(d) The commissioner must send notice of the withholding of payments within five days of taking such action. The notice must: (1) state that payments are being withheld according to this paragraph; (2) set forth the general allegations as to the reasons for the withholding action, but need not disclose any specific information concerning an ongoing investigation; (3) state that the withholding is for a temporary period and cite the circumstances under which withholding will be terminated; and (4) inform the program participant of the right to submit written evidence for consideration by the commissioner.

(e) The withholding of payments shall not continue after the commissioner determines there is insufficient evidence of fraud by the program participant or after legal proceedings relating to the alleged fraud are completed, unless the commissioner has sent notice under subdivision 5 of the intention to take an additional action related to the program participant's participation in a program administered by the commissioner.

(f) The withholding of payments is a temporary action and shall not be subject to appeal under this subdivision or chapter 14.

Sec. 17. Minnesota Statutes 2024, section 127A.49, subdivision 3, is amended to read:

Subd. 3. **Excess tax increment.** (a) The county auditor must, prior to February 1 of each year, certify to the commissioner of education the amount of any excess tax increment that accrued to the district during the preceding year. If a return of excess tax increment is made to a district pursuant to sections 469.176, subdivision 2, and 469.177, subdivision 9, or upon decertification of a tax increment district, the school district's aid and levy limitations must be adjusted for the fiscal year in which the excess tax increment is paid under the provisions of this subdivision.

57.1 (b) An amount must be subtracted from the district's aid for the current fiscal year equal
57.2 to the product of:

57.3 (1) the amount of the payment of excess tax increment to the district in the preceding
57.4 year, times

57.5 (2) the ratio of:

57.6 (i) the sum of the amounts of the district's certified levy in the third preceding year
57.7 according to the following:

57.8 (A) section 123B.57, if the district received health and safety aid according to that section
57.9 for the second preceding year;

57.10 (B) section 124D.20, if the district received aid for community education programs
57.11 according to that section for the second preceding year;

57.12 (C) section 142D.11, subdivision 3, if the district received early childhood family
57.13 education aid according to section 142D.11 for the second preceding year;

57.14 (D) section 126C.17, subdivision 6, if the district received referendum equalization aid
57.15 according to that section for the second preceding year;

57.16 (E) section 126C.10, subdivision 13a, if the district received operating capital aid
57.17 according to section 126C.10, subdivision 13b, in the second preceding year;

57.18 (F) section 126C.10, subdivision 29, if the district received equity aid according to
57.19 section 126C.10, subdivision 30, in the second preceding year;

57.20 (G) section 126C.10, subdivision 32, if the district received transition aid according to
57.21 section 126C.10, subdivision 33, in the second preceding year;

57.22 (H) section 123B.53, subdivision 5, if the district received debt service equalization aid
57.23 according to section 123B.53, subdivision 6, in the second preceding year;

57.24 (I) section 123B.535, subdivision 4, if the district received natural disaster debt service
57.25 equalization aid according to section 123B.535, subdivision 5, in the second preceding year;

57.26 (J) section 124D.22, subdivision 3, if the district received school-age care aid according
57.27 to section 124D.22, subdivision 4, in the second preceding year; and

57.28 (K) section 122A.415, subdivision 5, if the district received alternative teacher
57.29 compensation equalization aid according to section 122A.415, subdivision 6, paragraph (a),
57.30 in the second preceding year; to

58.1 (ii) the total amount of the district's certified levy in the third preceding year, plus or
58.2 minus auditor's adjustments.

58.3 (c) An amount must be subtracted from the school district's levy limitation for the next
58.4 levy certified equal to the difference between:

58.5 (1) the amount of the distribution of excess increment; and

58.6 (2) the amount subtracted from aid pursuant to clause (a).

58.7 If the aid and levy reductions required by this subdivision cannot be made to the aid for
58.8 the fiscal year specified or to the levy specified, the reductions must be made from aid for
58.9 subsequent fiscal years, and from subsequent levies. The school district must use the payment
58.10 of excess tax increment to replace the aid and levy revenue reduced under this subdivision.

58.11 (d) This subdivision applies only to the total amount of excess increments received by
58.12 a district for a calendar year that exceeds \$25,000.

58.13 Sec. 18. Minnesota Statutes 2024, section 268.19, subdivision 1, is amended to read:

58.14 Subdivision 1. **Use of data.** (a) Except as provided by this section, data gathered from
58.15 any person under the administration of the Minnesota Unemployment Insurance Law are
58.16 private data on individuals or nonpublic data not on individuals as defined in section 13.02,
58.17 subdivisions 9 and 12, and may not be disclosed except according to a district court order
58.18 or section 13.05. A subpoena is not considered a district court order. These data may be
58.19 disseminated to and used by the following agencies without the consent of the subject of
58.20 the data:

58.21 (1) state and federal agencies specifically authorized access to the data by state or federal
58.22 law;

58.23 (2) any agency of any other state or any federal agency charged with the administration
58.24 of an unemployment insurance program;

58.25 (3) any agency responsible for the maintenance of a system of public employment offices
58.26 for the purpose of assisting individuals in obtaining employment;

58.27 (4) the public authority responsible for child support in Minnesota or any other state in
58.28 accordance with section 518A.83;

58.29 (5) human rights agencies within Minnesota that have enforcement powers;

58.30 (6) the Department of Revenue to the extent necessary for its duties under Minnesota
58.31 laws;

59.1 (7) public and private agencies responsible for administering publicly financed assistance
59.2 programs for the purpose of monitoring the eligibility of the program's recipients;

59.3 (8) the Department of Labor and Industry and the Commerce Fraud Bureau in the
59.4 Department of Commerce for uses consistent with the administration of their duties under
59.5 Minnesota law;

59.6 (9) the Department of Human Services and the Office of Inspector General and its agents
59.7 within the Department of Human Services, including county fraud investigators, for
59.8 investigations related to recipient or provider fraud and employees of providers when the
59.9 provider is suspected of committing public assistance fraud;

59.10 (10) the Department of Human Services for the purpose of evaluating medical assistance
59.11 services and supporting program improvement;

59.12 (11) local and state welfare agencies for monitoring the eligibility of the data subject
59.13 for assistance programs, or for any employment or training program administered by those
59.14 agencies, whether alone, in combination with another welfare agency, or in conjunction
59.15 with the department or to monitor and evaluate the statewide Minnesota family investment
59.16 program and other cash assistance programs, the Supplemental Nutrition Assistance Program,
59.17 and the Supplemental Nutrition Assistance Program Employment and Training program by
59.18 providing data on recipients and former recipients of Supplemental Nutrition Assistance
59.19 Program (SNAP) benefits, cash assistance under chapter 256, 256D, 256J, or 256K, child
59.20 care assistance under chapter 142E, or medical programs under chapter 256B or 256L or
59.21 formerly codified under chapter 256D;

59.22 (12) local and state welfare agencies for the purpose of identifying employment, wages,
59.23 and other information to assist in the collection of an overpayment debt in an assistance
59.24 program;

59.25 (13) local, state, and federal law enforcement agencies for the purpose of ascertaining
59.26 the last known address and employment location of an individual who is the subject of a
59.27 criminal investigation;

59.28 (14) the United States Immigration and Customs Enforcement has access to data on
59.29 specific individuals and specific employers provided the specific individual or specific
59.30 employer is the subject of an investigation by that agency;

59.31 (15) the Department of Health for the purposes of epidemiologic investigations;

59.32 (16) the Department of Corrections for the purposes of case planning and internal research
59.33 for preprobation, probation, and postprobation employment tracking of offenders sentenced

60.1 to probation and preconfinement and postconfinement employment tracking of committed
60.2 offenders;

60.3 (17) the state auditor to the extent necessary to conduct audits of job opportunity building
60.4 zones as required under section 469.3201;

60.5 (18) the Office of Higher Education for purposes of supporting program improvement,
60.6 system evaluation, and research initiatives including the Statewide Longitudinal Education
60.7 Data System; ~~and~~

60.8 (19) the Family and Medical Benefits Division of the Department of Employment and
60.9 Economic Development to be used as necessary to administer chapter 268B; and

60.10 (20) the Department of Education Office of the Inspector General for investigations
60.11 related to fraud, theft, waste, and abuse or other misuse of public funds by a program
60.12 participant in a department program pursuant to chapter 127A.21.

60.13 (b) Data on individuals and employers that are collected, maintained, or used by the
60.14 department in an investigation under section 268.182 are confidential as to data on individuals
60.15 and protected nonpublic data not on individuals as defined in section 13.02, subdivisions 3
60.16 and 13, and must not be disclosed except under statute or district court order or to a party
60.17 named in a criminal proceeding, administrative or judicial, for preparation of a defense.

60.18 (c) Data gathered by the department in the administration of the Minnesota unemployment
60.19 insurance program must not be made the subject or the basis for any suit in any civil
60.20 proceedings, administrative or judicial, unless the action is initiated by the department.

APPENDIX
Article locations for 25-00016

ARTICLE 1	GENERAL EDUCATION.....	Page.Ln 1.20
ARTICLE 2	EDUCATION EXCELLENCE.....	Page.Ln 10.6
ARTICLE 3	CHARTER SCHOOLS.....	Page.Ln 20.14
ARTICLE 4	THE READ ACT.....	Page.Ln 28.19
ARTICLE 5	SPECIAL EDUCATION.....	Page.Ln 40.1
ARTICLE 6	SCHOOL NUTRITION.....	Page.Ln 45.1
ARTICLE 7	STATE AGENCIES.....	Page.Ln 45.16

120B.124 READ ACT IMPLEMENTATION PARTNERSHIP.

Subd. 6. **Comprehensive review of literacy materials.** Starting in 2033, the department and an institution of higher education may partner to conduct a comprehensive review of curriculum and intervention materials to identify literacy curriculum and supporting materials, and intervention materials that are evidence-based, focused on structured literacy, culturally and linguistically responsive, and reflect diverse populations. The department must revise the list of approved curriculum and supporting materials, and intervention materials based on the findings of the review.