A bill for an act

relating to education finance; providing funding for prekindergarten through grade 12 education; authorizing rulemaking; appropriating money; amending Minnesota Statutes 2006, sections 120B.131, subdivision 2; 120B.31, as amended; 120B.35, as amended; 120B.36, as amended; 120B.362; 122A.21; 123B.02, subdivision 21; 123B.59, subdivision 1; 123B.62; 124D.04, subdivisions 3, 6, 8, 9; 124D.05, by adding a subdivision; 124D.10, subdivision 20; 124D.55; 125A.65, by adding a subdivision; 125A.76, by adding a subdivision; 126C.10, subdivision 31, by adding a subdivision; 126C.17, subdivision 9; 126C.21, subdivision 1; 126C.51; 126C.52, subdivision 2, by adding a subdivision; 126C.53; 126C.55; 127A.45, subdivision 16; Minnesota Statutes 2007 Supplement, sections 120B.30; 123B.143, subdivision 1; 124D.531, subdivision 1; 126C.21, subdivision 3; 126C.44; Laws 2007, chapter 146, article 1, section 24, subdivisions 2, 3, 4, 5, 6, 7, 8; article 2, section 46, subdivisions 2, 3, 4, 6, 9, 13; article 3, sections 23, subdivision 2; 24, subdivisions 3, 4, 9; article 4, section 16, subdivisions 2, 3, 6, 8; article 5, section 13, subdivisions 2, 3, 4, 5; article 7, section 4; article 9, section 17, subdivisions 2, 3, 4, 8, 9, 13; Laws 2007, First Special Session chapter 2, article 1, section 11, subdivisions 1, 2, 6; proposing coding for new law in Minnesota Statutes, chapters 120B; 124D; 127A; 145; repealing Minnesota Statutes 2006, sections 121A.67; 125A.16; 125A.19; 125A.20; 125A.57; Laws 2006, chapter 263, article 3, section 16; Laws 2007, First Special Session chapter 2, article 1, section 11, subdivisions 3, 4.

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

## ARTICLE 1
## K-12 EDUCATION

Section 1. Minnesota Statutes 2006, section 120B.131, subdivision 2, is amended to read:

Subd. 2. **Reimbursement for examination fees.** The state may reimburse college-level examination program (CLEP) fees for a Minnesota public or nonpublic high school student who has successfully completed one or more college-level courses in high school in the subject matter of each examination in the following subjects: composition and literature, mathematics and science, social sciences and history, foreign languages, and business and humanities. ~~The state may reimburse each student for up to six examination fees.~~ The commissioner shall establish application procedures and a process and schedule for fee reimbursements. The commissioner must give priority to reimburse the CLEP examination fees of students of low-income families.

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

Sec. 2. **[120B.299] DEFINITIONS.**

Subdivision 1. **Definitions.** The definitions in this section apply to this chapter.

Subd. 2. **Growth.** "Growth" compares the difference between a student's achievement score at two distinct points in time.

Subd. 3. **Value-added.** "Value-added" is the amount of achievement a student demonstrates above an established baseline.

Subd. 4. **Growth-based value-added.** "Growth-based value-added" is a value-added system of assessments that measures the difference between an established baseline of growth and a student's growth over time.

Subd. 5. **Adequate yearly progress.** "Adequate yearly progress" compares the average achievement of two different groups of students at two different points in time.

Subd. 6. **State growth norm.** "State growth norm" is an established statewide percentile or standard applicable to all students in a particular grade benchmarked to an established school year. Beginning in the 2008-2009 school year, the state growth norm is benchmarked to 2006-2007 school year data until the commissioner next changes the vertically linked scale score. Each time the commissioner changes the vertically linked scale score, a recognized Minnesota assessment group composed of assessment and evaluation directors and staff and researchers, in collaboration with the Independent Office of Educational Accountability under section 120B.31, subdivision 3, must recommend a new state growth norm that the commissioner must consider when revising standards under section 120B.023, subdivision 2. For each newly established state growth norm, the commissioner also must establish criteria for identifying schools and school districts that demonstrate accelerated growth in order to advance educators' professional development and to replicate programs that succeed in meeting students' diverse learning needs.

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

Sec. 3. Minnesota Statutes 2007 Supplement, section 120B.30, is amended to read:

**120B.30 STATEWIDE TESTING AND REPORTING SYSTEM.**

Subdivision 1. **Statewide testing.** (a) The commissioner, with advice from experts with appropriate technical qualifications and experience and stakeholders, consistent with subdivision 1a, shall include in the comprehensive assessment system, for each grade level to be tested, state-constructed tests developed from and aligned with the state's required academic standards under section 120B.021 and administered annually to all students in grades 3 through 8 and at the high school level. A state-developed test in a subject other than writing~~, developed after the 2002-2003 school year,~~ must include both machine-scoreable and constructed response questions. The commissioner shall establish one or more months during which schools shall administer the tests to students each school year. For students enrolled in grade 8 before the 2005-2006 school year, only Minnesota basic skills tests in reading, mathematics, and writing shall fulfill students' basic skills testing requirements for a passing state notation. The passing scores of basic skills tests in reading and mathematics are the equivalent of 75 percent correct for students entering grade 9 ~~in 1997 and thereafter, as~~ based on the first uniform test ~~administration of~~ <u>administered in</u> February 1998.

(b) For students enrolled in grade 8 in the 2005-2006 school year and later, only the following options shall fulfill students' state graduation test requirements:

(1) for reading and mathematics:

(i) obtaining an achievement level equivalent to or greater than proficient as determined through a standard setting process on the Minnesota comprehensive assessments in grade 10 for reading and grade 11 for mathematics or achieving a passing score as determined through a standard setting process on the graduation-required assessment for diploma in grade 10 for reading and grade 11 for mathematics or subsequent retests;

(ii) achieving a passing score as determined through a standard setting process on the state-identified language proficiency test in reading and the mathematics test for English language learners or the graduation-required assessment for diploma equivalent of those assessments for students designated as English language learners;

(iii) achieving an individual passing score on the graduation-required assessment for diploma as determined by appropriate state guidelines for students with an individual education plan or 504 plan;

(iv) obtaining achievement level equivalent to or greater than proficient as determined through a standard setting process on the state-identified alternate assessment or assessments in grade 10 for reading and grade 11 for mathematics for students with an individual education plan; or

(v) achieving an individual passing score on the state-identified alternate assessment or assessments as determined by appropriate state guidelines for students with an individual education plan; and

(2) for writing:

(i) achieving a passing score on the graduation-required assessment for diploma;

(ii) achieving a passing score as determined through a standard setting process on the state-identified language proficiency test in writing for students designated as English language learners;

(iii) achieving an individual passing score on the graduation-required assessment for diploma as determined by appropriate state guidelines for students with an individual education plan or 504 plan; or

(iv) achieving an individual passing score on the state-identified alternate assessment or assessments as determined by appropriate state guidelines for students with an individual education plan.

(c) The 3rd through 8th grade and high school level test results shall be available to districts for diagnostic purposes affecting student learning and district instruction and curriculum, and for establishing educational accountability. The commissioner must disseminate to the public the test results upon receiving those results.

(d) State tests must be constructed and aligned with state academic standards. The commissioner shall determine the testing process and the order of administration ~~shall be determined by the commissioner~~. The statewide results shall be aggregated at the site and district level, consistent with subdivision 1a.

(e) In addition to the testing and reporting requirements under this section, the commissioner shall include the following components in the statewide public reporting system:

(1) uniform statewide testing of all students in grades 3 through 8 and at the high school level that provides appropriate, technically sound accommodations, alternate assessments, or exemptions consistent with applicable federal law, only with parent or guardian approval, for those very few students for whom the student's individual education plan team under sections 125A.05 and 125A.06 determines that the general statewide test is inappropriate for a student, or for a limited English proficiency student under section 124D.59, subdivision 2;

(2) educational indicators that can be aggregated and compared across school districts and across time on a statewide basis, including average daily attendance, high school graduation rates, and high school drop-out rates by age and grade level;

(3) state results on the American College Test; and

(4) state results from participation in the National Assessment of Educational Progress so that the state can benchmark its performance against the nation and other states, and, where possible, against other countries, and contribute to the national effort to monitor achievement.

Subd. 1a. **Statewide and local assessments; results.** (a) The commissioner must develop reading, mathematics, and science assessments aligned with state academic standards that districts and sites must use to monitor student growth toward achieving those standards. The commissioner must not develop statewide assessments for academic standards in social studies, health and physical education, and the arts. The commissioner must require:

(1) annual reading and mathematics assessments in grades 3 through 8 and at the high school level for the 2005-2006 school year and later; and

(2) annual science assessments in one grade in the grades 3 through 5 span, the grades 6 through ~~9~~ 8 span, and a life sciences assessment in the grades ~~10~~ 9 through 12 span for the 2007-2008 school year and later.

(b) The commissioner must ensure that all statewide tests administered to elementary and secondary students measure students' academic knowledge and skills and not students' values, attitudes, and beliefs.

(c) Reporting of assessment results must:

(1) provide timely, useful, and understandable information on the performance of individual students, schools, school districts, and the state;

(2) include, by no later than the 2008-2009 school year, a growth-based value-added ~~component that is in addition to a measure for student achievement growth over time~~ indicator of student achievement under section 120B.35, subdivision 3, paragraph (b); and

(3)(i) for students enrolled in grade 8 before the 2005-2006 school year, determine whether students have met the state's basic skills requirements; and

(ii) for students enrolled in grade 8 in the 2005-2006 school year and later, determine whether students have met the state's academic standards.

(d) Consistent with applicable federal law and subdivision 1, paragraph (d), clause (1), the commissioner must include appropriate, technically sound accommodations or alternative assessments for the very few students with disabilities for whom statewide assessments are inappropriate and for students with limited English proficiency.

(e) A school, school district, and charter school must administer statewide assessments under this section, as the assessments become available, to evaluate student ~~progress in achieving the~~ proficiency in the context of the state's grade level academic standards. If a state assessment is not available, a school, school district, and charter school must determine locally if a student has met the required academic standards. A school, school district, or charter school may use a student's performance on a statewide assessment as one of multiple criteria to determine grade promotion or retention. A school, school district, or charter school may use a high school student's performance on a statewide assessment as a percentage of the student's final grade in a course, or place a student's assessment score on the student's transcript.

Subd. 2. **Department of Education assistance.** The Department of Education shall contract for professional and technical services according to competitive bidding procedures under chapter 16C for purposes of this section.

Subd. 3. **Reporting.** The commissioner shall report test data publicly and to stakeholders, including the performance achievement levels developed from students' unweighted test scores in each tested subject and a listing of demographic factors that strongly correlate with student performance. The commissioner shall also report data that compares performance results among school sites, school districts, Minnesota and other states, and Minnesota and other nations. The commissioner shall disseminate to schools and school districts a more comprehensive report containing testing information that meets local needs for evaluating instruction and curriculum.

Subd. 4. **Access to tests.** The commissioner must adopt and publish a policy to provide public and parental access for review of basic skills tests, Minnesota Comprehensive Assessments, or any other such statewide test and assessment. Upon receiving a written request, the commissioner must make available to parents or guardians a copy of their student's actual responses to the test questions ~~to be reviewed by the parent~~ for their review.

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

Sec. 4. Minnesota Statutes 2006, section 120B.31, as amended by Laws 2007, chapter 146, article 2, section 10, is amended to read:

**120B.31 SYSTEM ACCOUNTABILITY AND STATISTICAL ADJUSTMENTS.**

Subdivision 1. **Educational accountability and public reporting.** Consistent with the ~~process~~ direction to adopt ~~a results-oriented graduation rule~~ statewide academic standards under section 120B.02, the department, in consultation with education and other system stakeholders, must ~~establish~~ maintain a coordinated and comprehensive system of educational accountability and public reporting that promotes ~~higher~~ greater academic achievement, preparation for higher academic education, preparation for the world of work, citizenship as outlined under sections 120B.021, subdivision 1, clause (4), and 120B.024, paragraph (a), clause (4), and the arts.

Subd. 2. **Statewide testing.** Each school year, all school districts shall give a uniform statewide test to students at specified grades to provide information on the status, needs and performance of Minnesota students.

Subd. 3. **Educational accountability.** (a) The Independent Office of Educational Accountability, as authorized by Laws 1997, First Special Session chapter 4, article 5, section 28, subdivision 2, is established, and shall be funded through the Board of Regents of the University of Minnesota. The office shall advise the education committees of the legislature and the commissioner of education, at least on a biennial basis, on the degree to which the statewide educational accountability and reporting system includes a comprehensive assessment framework that measures school accountability for students achieving the goals described in the state's ~~results-oriented~~ high school graduation rule. The office shall determine and annually report to the legislature whether and how effectively:

(1) the statewide system of educational accountability ~~utilizes~~ uses multiple indicators to provide valid and reliable comparative and contextual data on students, schools, districts, and the state, and if not, recommend ways to improve the accountability reporting system;

(2) the commissioner makes statistical adjustments when reporting student data over time, consistent with clause (4);

(3) the commissioner uses ~~indicators of student achievement growth~~ a growth-based value-added indicator of student achievement over time ~~and a value-added assessment model~~ that estimates the effects of the school and school district on student achievement to measure school performance, consistent with section ~~120B.36, subdivision 1~~ 120B.35, subdivision 3, paragraph (b);

(4) the commissioner makes data available on students who do not pass one or more of the state's required GRAD tests and do not receive a diploma as a consequence, and categorizes these data according to gender, race, eligibility for free or reduced lunch, and English language proficiency; and

(5) the commissioner fulfills the requirements under section 127A.095, subdivision 2.

(b) When the office reviews the statewide educational accountability and reporting system, it shall also consider:

(1) the objectivity and neutrality of the state's educational accountability system; and

(2) the impact of a testing program on school curriculum and student learning.

Subd. 4. **Statistical adjustments; student performance data.** In ~~developing~~ managing policies and assessment processes to hold schools and districts accountable for high levels of academic standards under section 120B.021, the commissioner shall aggregate student data over time to report student performance and growth levels measured at the school, school district, ~~regional, or~~ and statewide level. When collecting and reporting the performance data, the commissioner shall: (1) acknowledge the impact of significant demographic factors such as residential instability, the number of single parent families, parents' level of education, and parents' income level on school outcomes; and (2) organize and report the data so that state and local policy makers can understand the educational implications of changes in districts' demographic profiles over time. Any report the commissioner disseminates containing summary data on student performance must integrate student performance and the demographic factors that strongly correlate with that performance.

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

Sec. 5. Minnesota Statutes 2006, section 120B.35, as amended by Laws 2007, chapter 147, article 8, section 38, is amended to read:

**120B.35 STUDENT ACADEMIC ACHIEVEMENT AND ~~PROGRESS~~ GROWTH.**

Subdivision 1. **~~Adequate yearly progress of schools and students~~ School and student indicators of growth and achievement.** The commissioner must ~~develop and implement~~ maintain a system for measuring and reporting academic achievement and individual student ~~progress~~ growth, consistent with the statewide educational accountability and reporting system. The system components ~~of the system~~ must measure the adequate yearly progress of schools and the growth of individual students: students' current achievement in schools under subdivision 2; and individual students' educational ~~progress~~ growth over time under subdivision 3. The system also must include statewide measures of student academic ~~achievement~~ growth that identify schools with high levels of ~~achievement~~ growth, and also schools with low levels of ~~achievement~~ growth that need improvement. When determining a school's effect, the data must include both statewide measures of student achievement and~~, to the extent annual tests are administered,~~

indicators of achievement growth that take into account a student's prior achievement. Indicators of achievement and prior achievement must be based on highly reliable statewide or districtwide assessments. Indicators that take into account a student's prior achievement must not be used to disregard a school's low achievement or to exclude a school from a program to improve low achievement levels. ~~The commissioner by January 15, 2002, must submit a plan for integrating these components to the chairs of the legislative committees having policy and budgetary responsibilities for elementary and secondary education.~~

Subd. 2. **Expectations for federally mandated student academic achievement.** (a) Each school year, a school district must determine if the student achievement levels at each school site meet ~~state and local~~ federally mandated expectations. If student achievement levels at a school site do not meet ~~state and local~~ federally mandated expectations and the site has not made adequate yearly progress for two consecutive school years, beginning with the 2001-2002 school year, the district must work with the school site to adopt a plan to raise student achievement levels to meet ~~state and local~~ federally mandated expectations. The commissioner of education shall establish student academic achievement levels to comply with this paragraph.

(b) School sites identified as not meeting federally mandated expectations must develop continuous improvement plans in order to meet ~~state and local~~ federally mandated expectations for student academic achievement. The department, at a district's request, must assist the district and the school site in developing a plan to improve student achievement. The plan must include parental involvement components.

(c) The commissioner must:

(1) ~~provide assistance to~~ assist school sites and districts identified as not meeting federally mandated expectations; and

(2) provide technical assistance to schools that integrate student ~~progress~~ measures ~~under subdivision 3~~ in the school continuous improvement plan.

(d) The commissioner shall establish and maintain a continuous improvement Web site designed to make data on every school and district available to parents, teachers, administrators, community members, and the general public.

Subd. 3. **Student ~~progress assessment~~ growth; other state measures.** (a) The state's educational assessment system ~~component~~ measuring individual students' educational ~~progress must be~~ growth is based~~, to the extent annual tests are administered,~~ on indicators of achievement growth that show an individual student's prior achievement. Indicators of achievement and prior achievement ~~must be~~ are based on highly reliable statewide or districtwide assessments.

(b) The commissioner must ~~identify effective models for measuring individual student progress that enable a school district or school site to perform gains-based analysis, including evaluating the effects of the teacher, school, and school district on student achievement over time. At least one model must be a "value-added" assessment model that reliably estimates those effects for classroom settings where a single teacher teaches multiple subjects to the same group of students, for team teaching arrangements, and for other teaching circumstances.~~ use a growth-based value-added system. The commissioner must apply the state growth norm to students in grades 4 through 8 beginning in the 2008-2009 school year, consistent with section 120B.299, subdivision 6, initially benchmarking the state growth norm to 2006-2007 school year data. The model must allow the user to:

(1) report student growth at and above the state norm; and

(2) for all student categories with a cell size of at least 20, report and compare aggregated and disaggregated state growth data using the nine student categories identified under the federal 2001 No Child Left Behind Act and two student gender categories of male and female, respectively. The model must measure the effects that teacher teams within a grade, teacher teams across an entire grade, the school, and the school district have on student growth. The model must not compile test results for teacher teams within a grade or across a grade unless the test results encompass data on three or more teachers.

~~(c) If a district has an accountability plan that includes gains-based analysis or "value-added" assessment, the commissioner shall, to the extent practicable, incorporate those measures in determining whether the district or school site meets expectations. The department must coordinate with the district in evaluating school sites and continuous improvement plans, consistent with best practices.~~ If a district has an accountability plan that includes other growth-based value-added analysis, the commissioner may, to the extent practicable and consistent with this section, incorporate those measures in determining whether the district or school site shows growth, including accelerated growth.

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

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

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

When reporting the core measures under clauses (1) and (2), the commissioner must also analyze and report separate categories of information using the nine student categories identified under the federal 2001 No Child Left Behind Act and two student gender categories of male and female, respectively.

(e) When reporting student performance under section 120B.36, subdivision 1, the commissioner annually, beginning July 1, 2011, must include summary data showing students' average self-reported sense of school safety, engagement in school, and the quality of students' relationship with teachers, administrators, and other students. The commissioner must gather these data consistently from students in grade 4 or 5, in one grade level in grades 6 through 8, and in one grade level in high school, as determined by the commissioner in consultation with recognized and qualified experts.

Subd. 4. **Improving schools.** Consistent with the requirements of this section, the commissioner of education must ~~establish a second achievement benchmark to identify improving schools. The commissioner must recommend to~~ annually report to the public and the legislature ~~by February 15, 2002, indicators in addition to the achievement benchmark for identifying improving schools, including an indicator requiring a school to demonstrate ongoing successful use of best teaching practices~~ best practices learned from those schools that demonstrate accelerated growth compared to the state growth norm.

Subd. 5. **Improving graduation rates for students with emotional or behavioral disorders.** (a) A district must develop strategies in conjunction with parents of students with emotional or behavioral disorders and the county board responsible for implementing sections 245.487 to 245.4889 to keep students with emotional or behavioral disorders in school, when the district has a drop-out rate for students with an emotional or behavioral disorder in grades 9 through 12 exceeding 25 percent.

(b) A district must develop a plan in conjunction with parents of students with emotional or behavioral disorders and the local mental health authority to increase the graduation rates of students with emotional or behavioral disorders. A district with a drop-out rate for children with an emotional or behavioral disturbance in grades 9 through 12 that is in the top 25 percent of all districts shall submit a plan for review and oversight to the commissioner.

**EFFECTIVE DATE.** Subdivision 3, paragraph (b), applies to students in the 2009-2010 school year and later. Subdivision 3, paragraph (d), applies to students in the 2010-2011 school year and later. Subdivision 3, paragraph (e), applies to high school students in the 2009-2010 school year and later, and to students in any grades 4 through 8 in the 2010-2011 school year and later, consistent with the commissioner's grade level determinations. Subdivision 4 applies in the 2011-2012 school year and later.

Sec. 6. Minnesota Statutes 2006, section 120B.36, as amended by Laws 2007, chapter 146, article 2, section 11, is amended to read:

**120B.36 SCHOOL ACCOUNTABILITY; APPEALS PROCESS.**

Subdivision 1. **School performance report cards.** (a) The commissioner shall ~~use objective criteria based on levels of student performance to~~ report ~~at least~~ student academic performance under section 120B.35, subdivision 2, the percentages of students at and above the state growth norm under section 120B.35, subdivision 3, paragraph (b), school safety and student engagement under section 120B.35, subdivision 3, paragraph (e), rigorous coursework under section 120B.35, subdivision 3, paragraph (d), two separate student-to-teacher ratios that clearly indicate the definition of teacher consistent with sections 122A.06 and 122A.15 for purposes of determining these ratios, ~~and~~ staff characteristics excluding salaries, ~~with a value-added component added no later than the 2008-2009 school year~~ student enrollment demographics, district mobility, and extracurricular activities. ~~The report must indicate a school's adequate yearly progress status, and must not set any designations applicable to high- and low-performing schools due solely to adequate yearly progress status.~~

(b) The commissioner shall develop, annually update, and post on the department Web site school performance report cards.

(c) The commissioner must make available ~~the first~~ performance report cards by ~~November 2003, and during~~ the beginning of each school year ~~thereafter~~.

(d) A school or district may appeal its adequate yearly progress status in writing to the commissioner within 30 days of receiving the notice of its status. The commissioner's decision to uphold or deny an appeal is final.

(e) School performance report ~~cards~~ card data are nonpublic data under section 13.02, subdivision 9, until not later than ten days after the appeal procedure described in paragraph (d) concludes. The department shall annually post school performance report cards to its public Web site no later than September 1.

Subd. 2. **Adequate yearly progress data.** All data the department receives, collects, or creates ~~for purposes of determining~~ to determine adequate yearly progress

~~designations~~ status under Public Law 107-110, section 1116, set state growth norms, and determine student growth are nonpublic data under section 13.02, subdivision 9, until not later than ten days after the appeal procedure described in subdivision 1, paragraph (d), concludes. Districts must provide parents sufficiently detailed summary data to permit parents to appeal under Public Law 107-110, section 1116(b)(2). The department shall annually post federally mandated adequate yearly progress data and state student growth data to its public Web site no later than September 1.

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

Sec. 7. Minnesota Statutes 2006, section 120B.362, is amended to read:

**120B.362 GROWTH-BASED VALUE-ADDED ASSESSMENT PROGRAM.**

~~(a)~~ The commissioner of education must implement a growth-based value-added assessment program to assist school districts, public schools, and charter schools in assessing and reporting individual students' growth in academic achievement under section 120B.30, subdivision 1a. The program must use assessments of individual students' academic achievement to make longitudinal comparisons of each student's academic growth over time. ~~School districts, public schools, and charter schools may apply to the commissioner to participate in the initial trial program using a form and in the manner the commissioner prescribes. The commissioner must select program participants from urban, suburban, and rural areas throughout the state.~~

~~(b) The commissioner may issue a request for proposals to contract with an organization that provides a value-added assessment model that reliably estimates school and school district effects on students' academic achievement over time. The model the commissioner selects must accommodate diverse data and must use each student's test data across grades. Data on individual teachers generated under the model are personnel data under section 13.43.~~

~~(c) The contract under paragraph (b) must be consistent with the definition of "best value" under section 16C.02, subdivision 4.~~

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

Sec. 8. Minnesota Statutes 2006, section 122A.21, is amended to read:

**122A.21 TEACHERS' AND ADMINISTRATORS' LICENSES; FEES.**

Subdivision 1. **Licensure applications.** Each application for the issuance, renewal, or extension of a license to teach, including applications for licensure via portfolio under subdivision 2, must be accompanied by a processing fee of $57. Each application for issuing, renewing, or extending the license of a school administrator or supervisor must be accompanied by a processing fee in the amount set by the Board of Teaching. The processing fee for a teacher's license and for the licenses of supervisory personnel must be paid to the executive secretary of the appropriate board. The executive secretary of the board shall deposit the fees with the commissioner of finance. The fees as set by the board are nonrefundable for applicants not qualifying for a license. However, a fee must be refunded by the commissioner of finance in any case in which the applicant already holds a valid unexpired license. The board may waive or reduce fees for applicants who apply at the same time for more than one license.

Subd. 2. **Licensure via portfolio.** (a) A candidate seeking licensure via portfolio must submit a $75 fee to the Educator Licensing Division at the department to determine the candidate's eligibility for licensure via portfolio. An eligible candidate may use licensure via portfolio to obtain an initial licensure or to add a licensure field, consistent with the applicable Board of Teaching licensure rules.

(b) A candidate for initial licensure must submit to the Educator Licensing Division at the department one portfolio demonstrating pedagogical competence and one portfolio demonstrating content competence.

(c) A candidate seeking to add a licensure field must submit to the Educator Licensing Division at the department one portfolio demonstrating content competence.

(d) A candidate must pay to the executive secretary of the Board of Teaching a $300 fee for the first portfolio submitted for review and a $200 fee for any portfolio submitted subsequently. The fees must be paid to the executive secretary of the Board of Teaching. The revenue generated from the fee must be deposited in an education licensure portfolio account in the special revenue fund. The fees set by the Board of Teaching are nonrefundable for applicants not qualifying for a license. The Board of Teaching may waive or reduce fees for candidates based on financial need.

Sec. 9. Minnesota Statutes 2006, section 123B.02, subdivision 21, is amended to read:

Subd. 21. **Wind energy conversion system.** The board, or more than one board acting jointly under the authority granted by section 471.59, may construct, acquire, own in whole or in part, operate, and sell and retain and spend the payment received from selling energy from a wind energy conversion system, as defined in section 216C.06, subdivision 19. The board's share of the installed capacity of the wind energy conversion systems authorized by this subdivision must not exceed 3.3 megawatts of nameplate capacity. A board owning, operating, or selling energy from a wind energy conversion system must integrate information about wind energy conversion systems in its educational programming. The board, or more than one board acting jointly under the authority granted by section 471.59, may be a limited partner in a partnership, a member of a limited liability company, or a shareholder in a corporation, established for the sole purpose of constructing, acquiring, owning in whole or in part, financing, or operating a wind energy conversion system for the benefit of the district or districts in accordance with this section.

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

Sec. 10. Minnesota Statutes 2007 Supplement, section 123B.143, subdivision 1, is amended to read:

Subdivision 1. **Contract; duties.** All districts maintaining a classified secondary school must employ a superintendent who shall be an ex officio nonvoting member of the school board. The authority for selection and employment of a superintendent must be vested in the board in all cases. An individual employed by a board as a superintendent shall have an initial employment contract for a period of time no longer than three years from the date of employment. Any subsequent employment contract must not exceed a period of three years. A board, at its discretion, may or may not renew an employment contract. A board must not, by action or inaction, extend the duration of an existing employment contract. Beginning 365 days prior to the expiration date of an existing employment contract, a board may negotiate and enter into a subsequent employment contract to take effect upon the expiration of the existing contract. A subsequent contract must be contingent upon the employee completing the terms of an existing contract. If a contract between a board and a superintendent is terminated prior to the date specified in the contract, the board may not enter into another superintendent contract with that same individual that has a term that extends beyond the date specified in the terminated contract. A board may terminate a superintendent during the term of an employment contract for any of the grounds specified in section 122A.40, subdivision 9 or 13. A superintendent shall not rely upon an employment contract with a board to assert any other continuing contract rights in the position of superintendent under section 122A.40. Notwithstanding the provisions of sections 122A.40, subdivision 10 or 11, 123A.32, 123A.75, or any other law to the contrary, no individual shall have a right to employment as a superintendent based on order of employment in any district. If two or more districts enter into an agreement for the purchase or sharing of the services of a superintendent, the contracting districts have the absolute right to select one of the individuals employed to serve as superintendent in one of the contracting districts and no individual has a right to employment as the superintendent to provide all or part of the services based on order of employment in a contracting district. The superintendent of a district shall perform the following:

(1) visit and supervise the schools in the district, report and make recommendations about their condition when advisable or on request by the board;

(2) recommend to the board employment and dismissal of teachers;

(3) superintend school grading practices and examinations for promotions;

(4) make reports required by the commissioner; and

(5) ~~by January 10, submit an annual report to the commissioner in a manner prescribed by the commissioner, in consultation with school districts, identifying the expenditures that the district requires to ensure an 80 percent student passage rate on the MCA-IIs taken in the eighth grade, identifying the highest student passage rate the district expects it will be able to attain on the MCA-IIs by grade 12, and the amount of expenditures that the district requires to attain the targeted student passage rate; and~~

~~(6)~~ perform other duties prescribed by the board.

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

Sec. 11. Minnesota Statutes 2006, section 123B.59, subdivision 1, is amended to read:

Subdivision 1. **To qualify.** (a) An independent or special school district qualifies to participate in the alternative facilities bonding and levy program if the district has:

(1) more than 66 students per grade;

(2) over 1,850,000 square feet of space and the average age of building space is 15 years or older or over 1,500,000 square feet and the average age of building space is 35 years or older;

(3) insufficient funds from projected health and safety revenue and capital facilities revenue to meet the requirements for deferred maintenance, to make accessibility improvements, or to make fire, safety, or health repairs; and

(4) a ten-year facility plan approved by the commissioner according to subdivision 2.

(b) An independent or special school district not eligible to participate in the alternative facilities bonding and levy program under paragraph (a) qualifies for limited participation in the program if the district has:

(1) one or more health and safety projects with an estimated cost of $500,000 or more per site that would qualify for health and safety revenue except for the project size limitation in section 123B.57, subdivision 1, paragraph (b); and

(2) insufficient funds from capital facilities revenue to fund those projects.

(c) Notwithstanding the square footage limitation in paragraph (a), clause (2), a school district that qualified for eligibility under paragraph (a) as of July 1, 2007, remains eligible for funding under this section as long as the district continues to meet the requirements of paragraph (a), clauses (1), (3), and (4).

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

Sec. 12. Minnesota Statutes 2006, section 123B.62, is amended to read:

**123B.62 BONDS FOR CERTAIN CAPITAL FACILITIES.**

(a) In addition to other bonding authority, with approval of the commissioner, a district may issue general obligation bonds for certain capital projects under this section. The bonds must be used only to make capital improvements including:

(1) under section 126C.10, subdivision 14, total operating capital revenue uses specified in clauses (4), (6), (7), (8), (9), and (10);

(2) the cost of energy modifications;

(3) improving disability accessibility to school buildings; and

(4) bringing school buildings into compliance with life and safety codes and fire codes.

(b) Before a district issues bonds under this subdivision, it must publish notice of the intended projects, the amount of the bond issue, and the total amount of district indebtedness.

(c) A bond issue tentatively authorized by the board under this subdivision becomes finally authorized unless a petition signed by more than 15 percent of the registered voters of the district is filed with the school board within 30 days of the board's adoption of a resolution stating the board's intention to issue bonds. The percentage is to be determined with reference to the number of registered voters in the district on the last day before the petition is filed with the board. The petition must call for a referendum on the question of whether to issue the bonds for the projects under this section. The approval of 50 percent plus one of those voting on the question is required to pass a referendum authorized by this section.

(d) The bonds must be paid off within ~~ten~~ 15 years of issuance. The bonds must be issued in compliance with chapter 475, except as otherwise provided in this section. A tax levy must be made for the payment of principal and interest on the bonds in accordance with section 475.61. The sum of the tax levies under this section and section 123B.61 for each year must not exceed the limit specified in section 123B.61. The levy for each year must be reduced as provided in section 123B.61. A district using an excess amount in the debt redemption fund to retire the bonds shall report the amount used for this purpose to the commissioner by July 15 of the following fiscal year. A district having an outstanding capital loan under section 126C.69 or an outstanding debt service loan under section 126C.68 must not use an excess amount in the debt redemption fund to retire the bonds.

(e) Notwithstanding paragraph (d), bonds issued by a district within the first five years following voter approval of a combination according to section 123A.37, subdivision 2, must be paid off within 20 years of issuance. All the other provisions and limitation of paragraph (d) apply.

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

Sec. 13. Minnesota Statutes 2006, section 124D.04, subdivision 3, is amended to read:

Subd. 3. **Pupils in adjoining states.** Except as provided under an agreement with an adjoining state under section 124D.041, a non-Minnesota pupil who resides in an adjoining state in a district that borders Minnesota may enroll in a Minnesota district if either the board of the district in which the pupil resides or state in which the pupil resides pays tuition to the district in which the pupil is enrolled.

Sec. 14. Minnesota Statutes 2006, section 124D.04, subdivision 6, is amended to read:

Subd. 6. **Tuition payments.** (a) In each odd-numbered year, before March 1, the commissioner must agree to rates of tuition for Minnesota elementary and secondary pupils attending in other states for the next two fiscal years when the other state agrees to negotiate tuition rates. The commissioner must negotiate equal, reciprocal rates with the designated authority in each state for pupils who reside in an adjoining state and enroll in a Minnesota district. The rates must be at least equal to the tuition specified in section 124D.05, subdivision 1. If the other state does not agree to negotiate a general tuition rate, a Minnesota school district may negotiate a tuition rate with the school district in the other state that sends a pupil to or receives a pupil from the Minnesota school district. The tuition rate for a pupil with a disability must be equal to the actual cost of instruction and services provided. The resident district of a Minnesota pupil attending in another state under this section must pay the amount of tuition agreed upon in this section to the district of attendance, prorated on the basis of the proportion of the school year attended.

(b) Notwithstanding paragraph (a) and subdivision 9, if an agreement is reached between the state of Minnesota and an adjoining state pursuant to section 124D.041, the provisions of section 124D.041 and the agreement shall apply to all enrollment transfers between Minnesota and the adjoining state, and provisions of paragraph (a) and subdivision 9 shall not apply.

Sec. 15. Minnesota Statutes 2006, section 124D.04, subdivision 8, is amended to read:

Subd. 8. **Effective if reciprocal.** This section is effective with respect to ~~South Dakota upon enactment of provisions by South Dakota that the commissioner determines~~

~~are essentially similar to the provisions for Minnesota pupils in this section. This section is effective with respect to~~ any ~~other~~ bordering state upon enactment of provisions by the bordering state that the commissioner determines are essentially similar to the provisions for Minnesota pupils in this section.

Sec. 16. Minnesota Statutes 2006, section 124D.04, subdivision 9, is amended to read:

Subd. 9. **Appeal to the commissioner.** If a Minnesota school district cannot agree with an adjoining state on a tuition rate for a Minnesota student attending school in that state and that state has met the requirements in subdivision 8, then the student's parent or guardian may request that the commissioner ~~agree on~~ set a tuition rate for the student. The Minnesota district must pay the amount of tuition the commissioner ~~agrees upon~~ sets.

Sec. 17. **[124D.041] RECIPROCITY WITH ADJOINING STATES.**

Subdivision 1. **Agreements.** (a) The commissioner may enter into an agreement with the designated authority from an adjoining state to establish an enrollment options program between Minnesota and the adjoining state. Any agreement entered into pursuant to this section must specify the following:

(1) for students who are not residents of Minnesota, the enrollment options program applies only to a student whose resident school district borders Minnesota;

(2) the commissioner must negotiate equal, reciprocal rates with the designated authority from the adjoining state;

(3) if the adjoining state sends more students to Minnesota than Minnesota sends to the adjoining state, the adjoining state must pay the state of Minnesota the rate agreed upon under clause (2) for the excess number of students sent to Minnesota;

(4) if Minnesota sends more students to the adjoining state than the adjoining state sends to Minnesota, the state of Minnesota will pay the adjoining state the rate agreed upon under clause (2) for the excess number of students sent to the adjoining state;

(5) the application procedures for the enrollment options program between Minnesota and the adjoining state;

(6) the reasons for which an application for the enrollment options program between Minnesota and the adjoining may be denied; and

(7) that a Minnesota school district is not responsible for transportation for any resident student attending school in an adjoining state under the provisions of this section. A Minnesota school district may, at its discretion, provide transportation services for such a student.

(b) Any agreement entered into pursuant to this section may specify additional terms relating to any student in need of special education and related services pursuant to chapter 125A. Any additional terms must apply equally to both states.

Subd. 2. **Pupil accounting.** (a) Any student from an adjoining state enrolled in Minnesota pursuant to this section is included in the receiving school district's average daily membership and pupil units according to section 126C.05 as if the student were a resident of another Minnesota school district attending the receiving school district under section 124D.03.

(b) Any Minnesota resident student enrolled in an adjoining state pursuant to this section is included in the resident school district's average daily membership and pupil units according to section 126C.05 as if the student were a resident of the district attending another Minnesota school district under section 124D.03.

Subd. 3. **Procedures.** (a) The Department of Education must establish procedures relating to the application process, the collection or payment of funds under the provisions of any agreement established pursuant to this section, and the collection of data necessary to implement any agreement established pursuant to this section.

(b) Notwithstanding sections 124D.04 and 124D.05, if an agreement is established between Minnesota and an adjoining state pursuant to this section, the provisions of this section and the agreement shall apply to all enrollment transfers between Minnesota and the adjoining state, and provisions of sections 124D.04 and 124D.05 to the contrary, including provisions relating to tuition payments, shall not apply.

(c) Notwithstanding paragraph (a), any payments to adjoining states under this section shall be made according to section 127A.45, subdivision 16.

(d) Notwithstanding paragraph (b), sections 124D.04, subdivision 6, paragraph (b), and 124D.05, subdivision 2a, the provisions of this section and the agreement shall not apply to enrollment transfers between Minnesota and a school district in an adjoining state enrolling fewer than 150 pupils that is exempted from participation in the program under the laws of the adjoining state.

Sec. 18. Minnesota Statutes 2006, section 124D.05, is amended by adding a subdivision to read:

Subd. 2a. **Exception.** Notwithstanding subdivisions 1 and 2, if an agreement is reached between the state of Minnesota and an adjoining state pursuant to section 124D.041, the provisions of section 124D.041 and the agreement shall apply to all enrollment transfers between Minnesota and the adjoining state, and provisions of subdivisions 1 and 2 to the contrary, including provisions relating to tuition payments, shall not apply.

Sec. 19. Minnesota Statutes 2006, section 124D.10, subdivision 20, is amended to read:

Subd. 20. **Leave to teach in a charter school.** If a teacher employed by a district makes a written request for an extended leave of absence to teach at a charter school, the district must grant the leave. The district must grant a leave not to exceed a total of five years. Any request to extend the leave shall be granted only at the discretion of the school board. The district may require that the request for a leave or extension of leave be made ~~up to 90 days before the teacher would otherwise have to report for duty~~ before February 1 in the school year preceding the school year in which the teacher wishes to return, or before February 1 of the calendar year in which the teacher's leave is scheduled to terminate. Except as otherwise provided in this subdivision and except for section 122A.46, subdivision 7, the leave is governed by section 122A.46, including, but not limited to, reinstatement, notice of intention to return, seniority, salary, and insurance.

During a leave, the teacher may continue to aggregate benefits and credits in the Teachers' Retirement Association account by paying both the employer and employee contributions based upon the annual salary of the teacher for the last full pay period before the leave began. The retirement association may impose reasonable requirements to efficiently administer this subdivision.

**EFFECTIVE DATE.** This section is effective for the 2008-2009 school year and later.

Sec. 20. Minnesota Statutes 2007 Supplement, section 124D.531, subdivision 1, is amended to read:

Subdivision 1. **State total adult basic education aid.** (a) The state total adult basic education aid for fiscal year 2005 is $36,509,000. The state total adult basic education aid for fiscal year 2006 equals $36,587,000 plus any amount that is not paid for during the previous fiscal year, as a result of adjustments under subdivision 4, paragraph (a), or section 124D.52, subdivision 3. The state total adult basic education aid for fiscal year 2007 equals $37,673,000 plus any amount that is not paid for during the previous fiscal year, as a result of adjustments under subdivision 4, paragraph (a), or section 124D.52, subdivision 3. The state total adult basic education aid for fiscal year 2008 equals $40,650,000, plus any amount that is not paid during the previous fiscal year as a result of adjustments under subdivision 4, paragraph (a), or section 124D.52, subdivision 3. The state total adult basic education aid for later fiscal years equals:

(1) the state total adult basic education aid for the preceding fiscal year plus any amount that is not paid for during the previous fiscal year, as a result of adjustments under subdivision 4, paragraph (a), or section 124D.52, subdivision 3; times

(2) the lesser of:

(i) 1.03; or

(ii) ~~the greater of 1.00 or the ratio of the state total contact hours in the first prior program year to the state total contact hours in the second prior program year~~ the average growth in state total contact hours over the prior ten program years.

Beginning in fiscal year 2002, two percent of the state total adult basic education aid must be set aside for adult basic education supplemental service grants under section 124D.522.

(b) The state total adult basic education aid, excluding basic population aid, equals the difference between the amount computed in paragraph (a), and the state total basic population aid under subdivision 2.

Sec. 21. Minnesota Statutes 2006, section 124D.55, is amended to read:

**124D.55 GENERAL EDUCATION DEVELOPMENT (GED) TEST FEES.**

The commissioner shall pay 60 percent of the fee that is charged to an eligible individual for the full battery of a general education development (GED) test, but not more than ~~$20~~ $40 for an eligible individual.

Sec. 22. Minnesota Statutes 2006, section 125A.65, is amended by adding a subdivision to read:

Subd. 11. **Third-party reimbursement.** The Minnesota State Academies must seek reimbursement under section 125A.21 from third parties for the cost of services provided by the Minnesota State Academies whenever the services provided are otherwise covered by a child's public or private health plan.

**EFFECTIVE DATE.** This section is effective the day following final enactment for revenue in fiscal years 2008 and later.

Sec. 23. Minnesota Statutes 2006, section 125A.76, is amended by adding a subdivision to read:

Subd. 4a. **Adjustments for tuition reciprocity with adjoining states.** (a) If an agreement is reached between the state of Minnesota and an adjoining state pursuant to section 124D.041 that requires a special education tuition payment from the state of

Minnesota to the adjoining state, the tuition payment shall be made from the special education aid appropriation for that year, and the state total special education aid under subdivision 4 shall be reduced by the amount of the payment.

(b) If an agreement is reached between the state of Minnesota and an adjoining state pursuant to section 124D.041 that requires a special education tuition payment from an adjoining state to the state of Minnesota, the special education aid appropriation for that year and the state total special education aid under subdivision 4 shall be increased by the amount of the payment.

(c) If an agreement is reached between the state of Minnesota and an adjoining state pursuant to section 124D.041 that requires special education tuition payments to be made between the two states and not between districts in the two states, the special education aid for a Minnesota school district serving a student with a disability from the adjoining state shall be calculated according to section 127A.47, subdivision 7, except that no reduction shall be made in the special education aid paid to the resident district.

Sec. 24. Minnesota Statutes 2006, section 126C.10, subdivision 31, is amended to read:

Subd. 31. **Transition revenue.** (a) A district's transition allowance equals the greater of zero or the product of the ratio of the number of adjusted marginal cost pupil units the district would have counted for fiscal year 2004 under Minnesota Statutes 2002 to the district's adjusted marginal cost pupil units for fiscal year 2004, times the difference between: (1) the lesser of the district's general education revenue per adjusted marginal cost pupil unit for fiscal year 2003 or the amount of general education revenue the district would have received per adjusted marginal cost pupil unit for fiscal year 2004 according to Minnesota Statutes 2002, and (2) the district's general education revenue for fiscal year 2004 excluding transition revenue divided by the number of adjusted marginal cost pupil units the district would have counted for fiscal year 2004 under Minnesota Statutes 2002.

(b) A district's transition revenue for fiscal ~~year~~ years 2006 ~~and later~~ through 2009 equals the sum of the product of the district's transition allowance times the district's adjusted marginal cost pupil units plus the district's transition for prekindergarten revenue under subdivision 31a.

(c) A district's transition revenue for fiscal year 2010 and later equals the sum of the product of the district's transition allowance times the district's adjusted marginal cost pupil units plus the district's transition for prekindergarten revenue under subdivision 31a plus the district's transition for tuition reciprocity revenue under subdivision 31c.

Sec. 25. Minnesota Statutes 2006, section 126C.10, is amended by adding a subdivision to read:

Subd. 31c. **Transition for tuition reciprocity revenue.** For the first year that a tuition reciprocity agreement with an adjoining state is in effect under section 124D.041 and later, a school district's transition for tuition reciprocity revenue equals the greater of zero or the difference between the sum of the general education revenue and net tuition revenue the district would have received for pupils enrolled under section 124D.041 for the first year the agreement is in effect if the agreement had not been in effect, and the sum of the district's general education revenue and net tuition revenue for the first year the agreement is in effect.

Sec. 26. Minnesota Statutes 2006, section 126C.17, subdivision 9, is amended to read:

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

"BY VOTING "YES" ON THIS BALLOT QUESTION, YOU ~~MAY BE VOTING FOR A PROPERTY TAX INCREASE~~ ARE RENEWING AN EXISTING

PROPERTY TAX REFERENDUM. YOU ARE NOT CHANGING YOUR OPERATING REFERENDUM FROM ITS LEVEL IN THE PREVIOUS YEAR."

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

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

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

(b) The board must prepare and deliver by first class mail at least 15 days but no more than 30 days before the day of the referendum to each taxpayer a notice of the referendum and the proposed revenue increase. The board need not mail more than one notice to any taxpayer. For the purpose of giving mailed notice under this subdivision, owners must be those shown to be owners on the records of the county auditor or, in any county where tax statements are mailed by the county treasurer, on the records of the county treasurer. Every property owner whose name does not appear on the records of the county auditor or the county treasurer is deemed to have waived this mailed notice unless the owner has requested in writing that the county auditor or county treasurer, as the case may be, include the name on the records for this purpose. The notice must project the anticipated amount of tax increase in annual dollars for typical residential homesteads, agricultural homesteads, apartments, and commercial-industrial property within the school district.

The notice for a referendum may state that an existing referendum levy is expiring and project the anticipated amount of increase over the existing referendum levy in the first year, if any, in annual dollars for typical residential homesteads, agricultural homesteads, apartments, and commercial-industrial property within the district.

The notice must include the following statement: "Passage of this referendum will result in an increase in your property taxes." However, in cases of renewing existing levies, the notice may include the following statement: "Passage of this referendum may result in ~~an increase~~ a change in your property taxes."

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

(d) A petition authorized by paragraph (a) or (c) is effective if signed by a number of qualified voters in excess of 15 percent of the registered voters of the district on the day the petition is filed with the board. A referendum invoked by petition must be held on the date specified in paragraph (a).

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

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

**EFFECTIVE DATE.** This section is effective for elections conducted on or after July 1, 2008.

Sec. 27. Minnesota Statutes 2006, section 126C.21, subdivision 1, is amended to read:

Subdivision 1. **Permanent school fund.** ~~The~~ An amount of money equal to $36 times the district's pupils in average daily membership received by a district as income from the permanent school fund for any year must be deducted from the general education aid earned by the district for the same year or from aid earned from other state sources.

**EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2010.

Sec. 28. Minnesota Statutes 2007 Supplement, section 126C.21, subdivision 3, is amended to read:

Subd. 3. **County apportionment deduction.** Each year the amount of money apportioned to a district for that year pursuant to ~~sections~~ section 127A.34, subdivision 2, ~~and 272.029, subdivision 6,~~ must be deducted from the general education aid earned by that district for the same year or from aid earned from other state sources.

**EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2009.

Sec. 29. Minnesota Statutes 2007 Supplement, section 126C.44, is amended to read:

**126C.44 SAFE SCHOOLS LEVY.**

(a) Each district may make a levy on all taxable property located within the district for the purposes specified in this section. The maximum amount which may be levied for all costs under this section shall be equal to $30 multiplied by the district's adjusted marginal cost pupil units for the school year. The proceeds of the levy must be reserved and used for directly funding the following purposes or for reimbursing the cities and counties who contract with the district for the following purposes: (1) to pay the costs incurred for the salaries, benefits, and transportation costs of peace officers and sheriffs for liaison in services in the district's schools; (2) to pay the costs for a drug abuse prevention program as defined in section 609.101, subdivision 3, paragraph (e), in the elementary schools; (3) to pay the costs for a gang resistance education training curriculum in the district's schools; (4) to pay the costs for security in the district's schools and on school property; (5) to pay the costs for other crime prevention, drug abuse, student and staff safety, voluntary opt-in suicide prevention tools, and violence prevention measures taken by the school district; or (6) to pay costs for licensed school counselors, licensed school nurses, licensed school social workers, licensed school psychologists, and licensed alcohol and chemical dependency counselors to help provide early responses to problems. For expenditures under clause (1), the district must initially attempt to contract for services to be provided by peace officers or sheriffs with the police department of each city or the sheriff's department of the county within the district containing the school receiving the services. If a local police department or a county sheriff's department does not wish to provide the necessary services, the district may contract for these services with any other police or sheriff's department located entirely or partially within the school district's boundaries.

(b) A school district that is a member of an intermediate school district may include in its authority under this section the costs associated with safe schools activities authorized under paragraph (a) for intermediate school district programs. This authority must not exceed $10 times the adjusted marginal cost pupil units of the member districts. This authority is in addition to any other authority authorized under this section. Revenue raised under this paragraph must be transferred to the intermediate school district.

(c) ~~If~~ A school district ~~spends~~ must set aside at least $3 per adjusted marginal cost pupil unit of the safe schools levy proceeds for the purposes authorized under paragraph (a), clause (6)~~,~~. The district must annually certify that its total spending on services provided by the employees listed in paragraph (a), clause (6), is not less than the sum of its expenditures for these purposes, excluding amounts spent under this section, in the previous year plus the amount spent under this section.

**EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2010.

Sec. 30. Minnesota Statutes 2006, section 126C.51, is amended to read:

**126C.51 APPLICATION OF LIMITING TAX LEGISLATION.**

Notwithstanding the provisions of section 471.69 or 471.75, or of any other provision of law which by per capita limitation, local tax rate limitation, or otherwise, limits the power of a district to incur any debt or to issue any warrant or order, a school district or intermediate school district has the powers in sections 126C.50 to 126C.56 specifically conferred upon it and all powers incident and necessary to carrying out the purposes of sections 126C.50 to 126C.56.

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

Sec. 31. Minnesota Statutes 2006, section 126C.52, subdivision 2, is amended to read:

Subd. 2. **Limitations.** The board of any school district may also borrow money in the manner and subject to the limitations set forth in sections 126C.50 to 126C.56 in anticipation of receipt of state aids for schools as defined in Minnesota Statutes and of federal school aids to be distributed by or through the department. The aggregate of such borrowings under this subdivision shall never exceed 75 percent of such aids which are receivable by said school district in the ~~school~~ fiscal year ~~(from July 1 to June 30)~~ in which the money is borrowed, as estimated and certified by the commissioner.

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

Sec. 32. Minnesota Statutes 2006, section 126C.52, is amended by adding a subdivision to read:

Subd. 3. **Intermediate school districts.** (a) The board of an intermediate school district may borrow money in the manner and subject to the limitations set forth in sections 126C.50 to 126C.56 in anticipation of the receipt of:

(1) state aids for schools as defined in Minnesota Statutes;

(2) federal school aids to be distributed by or through the department; and

(3) membership fees and tuition payments from its member school districts.

The aggregate of such borrowings under this subdivision shall never exceed 75 percent of such aids, fees, and tuition payments which are receivable by the intermediate school district in the fiscal year in which the money is borrowed, as estimated and certified by the commissioner.

(b) The board of an intermediate school district may, upon receipt of a written resolution by each of its member school districts, pledge the member district's full faith and credit and unlimited taxing powers to repay its pro rata share of any certificates issued or the amount paid by the state under section 126C.55, subdivision 2, plus interest, if the revenues specified in paragraph (a) and any other revenues of the intermediate school district are insufficient to do so.

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

Sec. 33. Minnesota Statutes 2006, section 126C.53, is amended to read:

**126C.53 ENABLING RESOLUTION; FORM OF CERTIFICATES OF INDEBTEDNESS.**

The board of a school district or intermediate school district may authorize and effect such borrowing, and may issue such certificates of indebtedness upon passage of a resolution specifying the amount and purposes for which it deems such borrowing is necessary. The resolution must be adopted by a vote of at least two-thirds of its members. The board must fix the amount, date, maturity, form, denomination, and other details of the certificates of indebtedness, not inconsistent with this chapter. The board must fix the date and place for receipt of bids for the purchase of the certificates when bids are required and direct the clerk to give notice of the date and place for bidding.

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

Sec. 34. Minnesota Statutes 2006, section 126C.55, is amended to read:

**126C.55 STATE PAYMENT OF DEBT OBLIGATION UPON POTENTIAL DEFAULT; REPAYMENT; STATE OBLIGATION NOT DEBT.**

Subdivision 1. **Definitions.** For the purposes of this section, the term "debt obligation" means:

(1) a ~~tax or aid anticipation~~ certificate of indebtedness issued under section 126C.52;

(2) a certificate of participation issued under section 126C.40, subdivision 6; or

(3) a general obligation bond.

Subd. 2. **Notifications; payment; appropriation.** (a) If a school district or intermediate school district believes that it may be unable to make a principal or interest payment on any outstanding debt obligation on the date that payment is due, it must notify the commissioner as soon as possible, but not less than 15 working days before the date that principal or interest payment is due. The notice must include the name of the school district or intermediate school district, an identification of the debt obligation issue in question, the date the payment is due, the amount of principal and interest due on the payment date, the amount of principal or interest that the school district or intermediate school district will be unable to repay on that date, the paying agent for the debt obligation, the wire transfer instructions to transfer funds to that paying agent, and an indication as to whether a payment is being requested by the school district or intermediate school district under this section. If a paying agent becomes aware of a potential default, it shall inform the commissioner of that fact. After receipt of a notice which requests a payment under this section, after consultation with the school district or intermediate school district and the paying agent, and after verification of the accuracy of the information provided, the commissioner shall notify the commissioner of finance of the potential default. The notice must include a final figure as to the amount due that the school district or intermediate school district will be unable to repay on the date due.

(b) Except as provided in subdivision 9, upon receipt of this notice from the commissioner, the commissioner of finance shall issue a warrant and authorize the commissioner of education to pay to the paying agent for the debt obligation the specified amount on or before the date due. The amounts needed for the purposes of this subdivision are annually appropriated to the department from the state general fund.

(c) The Departments of Education and Finance must jointly develop detailed procedures for school districts and intermediate school districts to notify the state that they have obligated themselves to be bound by the provisions of this section, procedures for school districts or intermediate school districts and paying agents to notify the state of potential defaults and to request state payment under this section, and procedures for the state to expedite payments to prevent defaults. The procedures are not subject to chapter 14.

Subd. 3. **School district bound; interest rate on state paid amount.** If, at the request of a school district or intermediate school district, the state has paid part or all of the principal or interest due on a district's debt obligation on a specific date, the school district or the intermediate school district is bound by all provisions of this section and the amount paid shall bear taxable interest from the date paid until the date of repayment at the invested cash rate as it is certified by the commissioner of finance. Interest shall only accrue on the amounts paid and outstanding less the reduction in aid under subdivision 4 and other payments received from the school district or intermediate school district.

Subd. 4. **Pledge of district's full faith and credit.** If, at the request of a school district or intermediate school district, the state has paid part or all of the principal or interest due on a district's debt obligation on a specific date, the pledge of the full faith and credit and unlimited taxing powers of the school district or the intermediate school district to repay the principal and interest due on those debt obligations shall also, without an election or the requirement of a further authorization, become a pledge of the full faith and credit and unlimited taxing powers of the school district or the intermediate school district to repay to the state the amount paid, with interest. Amounts paid by the state must be repaid in the order in which the state payments were made.

Subd. 4a. **Aid reduction for repayment.** (a) Except as provided in this subdivision, the state must reduce the state aid payable to the school district or intermediate school district under this chapter and chapters 122A, 123A, 123B, 124D, 125A, 126C, and 273 by the amount paid by the state under this section on behalf of the district, plus the interest due on it, and the amount reduced must revert from the appropriate account to the state general fund. Payments from the school district endowment fund or any federal aid payments shall not be reduced.

(b) For an intermediate school district, the state aid payable to the intermediate school district must first be reduced, before any reduction is made to the state aids payable to the member districts. If the state aid payable to the intermediate school district is not sufficient to repay the state, state aid payable to member districts may be reduced proportionately based on the ratio of each member district's adjusted net tax capacity to the total adjusted net tax capacity of all member districts.

(c) If, after review of the financial situation of the school district or intermediate school district, the commissioner advises the commissioner of finance that a total reduction of aids would cause an undue hardship on or an undue disruption of the educational program of the district, the commissioner, with the approval of the commissioner of finance, may establish a different schedule for reduction of aids to repay the state. The amount of aids to be reduced is decreased by any amounts repaid to the state by the district from other revenue sources.

Subd. 6. **Tax levy for repayment.** (a) With the approval of the commissioner, a district may levy in the year the state makes a payment under this section an amount up to the amount necessary to provide funds for the repayment of the amount paid by the state plus interest through the date of estimated repayment by the district. The proceeds of this levy may be used only for this purpose unless they are in excess of the amount actually due, in which case the excess shall be used to repay other state payments made under this section or shall be deposited in the debt redemption fund of the school district. This levy shall be an increase in the levy limits of the district for purposes of section 275.065, subdivision 6. The amount of aids to be reduced to repay the state shall be decreased by the amount levied. This levy by the district is not eligible for debt service equalization under section 123B.53.

(b) If the state is not repaid in full for a payment made under this section by November 30 of the calendar year following the year in which the state makes the payment, the commissioner shall require the district to certify a property tax levy in an amount up to the amount necessary to provide funds for repayment of the amount paid by the state plus interest through the date of estimated repayment by the school district. To prevent undue hardship, the commissioner may allow the district to certify the levy over a five-year period. The proceeds of the levy may be used only for this purpose unless they are in excess of the amount actually due, in which case the excess shall be used to repay other state payments made under this section or shall be deposited in the debt redemption fund of the district. This levy shall be an increase in the levy limits of the school district for purposes of section 275.065, subdivision 6. If the commissioner orders the district to levy, the amount of aids reduced to repay the state shall be decreased by the amount levied. This levy by the district is not eligible for debt service equalization under section 123B.53 or any successor provision. A levy under this subdivision must be explained as a specific increase at the meeting required under section 275.065, subdivision 6.

(c) For an intermediate school district, a levy made by a member school district under paragraph (a) or (b) to repay its pro rata share must be spread by the commissioner as a tax rate based on the total adjusted net tax capacity of the member school districts. The proceeds of the levy must be remitted by the member school district to the intermediate school district and must be used by the intermediate school district only to repay the state amounts owed. Any amount in excess of the amount owed to the state must be repaid to the member school districts and the commissioner shall adjust each member school district's property tax levy in the next year.

Subd. 7. **Election as to mandatory application.** A school district or intermediate school district may covenant and obligate itself, prior to the issuance of an issue of debt obligations, to notify the commissioner of a potential default and to use the provisions of this section to guarantee payment of the principal and interest on those debt obligations when due. If the school district or intermediate school district obligates itself to be bound by this section, it must covenant in the resolution that authorizes the issuance of the debt obligations to deposit with the paying agent three business days prior to the date on which a payment is due an amount sufficient to make that payment or to notify the commissioner under subdivision 1 that it will be unable to make all or a portion of that payment. A school district or intermediate school district that has obligated itself must include a provision in its agreement with the paying agent for that issue that requires the paying agent to inform the commissioner if it becomes aware of a potential default in the payment of principal or interest on that issue or if, on the day two business days prior to the date a payment is due on that issue, there are insufficient funds to make the payment on deposit with the paying agent. Funds invested in a refunding escrow account established under section 475.67 that are to become available to the paying agent on a principal or interest payment date are deemed to be on deposit with the paying agent three business days before the payment date. If a school district or intermediate school district either covenants to be bound by this section or accepts state payments under this section to prevent a default of a particular issue of debt obligations, the provisions of this section shall be binding as to that issue as long as any debt obligation of that issue remain outstanding. If the provisions of this section are or become binding for more than one issue of debt obligations and a school district or intermediate school district is unable to make payments on one or more of those issues, the district must continue to make payments on the remaining issues.

Subd. 8. **Mandatory plan; technical assistance.** If the state makes payments on behalf of a school district or intermediate school district under this section or the district defaults in the payment of principal or interest on an outstanding debt obligation, it must submit a plan to the commissioner for approval specifying the measures it intends to implement to resolve the issues which led to its inability to make the payment and to prevent further defaults. The department must provide technical assistance to the school district or intermediate school district in preparing its plan. If the commissioner determines that a district's plan is not adequate, the commissioner shall notify the school district or intermediate school district that the plan has been disapproved, the reasons for the disapproval, and that the state shall not make future payments under this section for debt obligations issued after the date specified in that notice until its plan is approved. The commissioner may also notify the school district or intermediate school district that until its plan is approved, other aids due the district will be withheld after a date specified in the notice.

Subd. 9. **State bond rating.** If the commissioner of finance determines that the credit rating of the state would be adversely affected thereby, the commissioner of finance shall not issue warrants under subdivision 2 for the payment of principal or interest on any debt obligations for which a district did not, prior to their issuance, obligate itself to be bound by the provisions of this section.

Subd. 10. **Continuing disclosure agreements.** The commissioner of finance may enter into written agreements or contracts relating to the continuing disclosure of information needed to facilitate the ability of school districts or intermediate school districts to issue debt obligations according to federal securities laws, rules, and regulations, including securities and exchange commission rules and regulations, section

240.15c2-12. Such agreements or contracts may be in any form the commissioner of finance deems reasonable and in the state's best interests.

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

Sec. 35. **[127A.331] SCHOOL ENDOWMENT FUND; USE OF REVENUE.**

A school that receives school endowment fund revenue under section 127A.33 in excess of $36 per pupil in average daily membership may use that revenue only for the following purposes:

(1) to purchase or lease computers and related materials, copying machines, telecommunications equipment, and other noninstructional equipment;

(2) to purchase or lease assistive technology or equipment for instructional programs;

(3) to purchase new and replacement library media resources or technology;

(4) to pay for ongoing or recurring telecommunications/Internet access costs associated with Internet access, data lines, and video links; and

(5) to pay for service provider installation fees for installation of new telecommunications lines or increased bandwidth.

**EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2010.

Sec. 36. Minnesota Statutes 2006, section 127A.45, subdivision 16, is amended to read:

Subd. 16. **Payments to third parties.** Notwithstanding subdivision 3, the current year aid payment percentage of the amounts under section 123A.26, subdivision 3 and section 124D.041, shall be paid in equal installments on August 30, December 30, and March 30, with a final adjustment payment on October 30 of the next fiscal year of the remaining amount.

Sec. 37. **[145.986] STATEWIDE HEALTH IMPROVEMENT PROGRAM.**

Subdivision 1. **Goals.** The initial goals of the public health improvement program are to reduce the percentage of Minnesotans who are obese or overweight to less than half by the year 2020 and to reduce tobacco smoking by two percent annually starting in 2011. By 2011, and considering available funding, the commissioner of health, in consultation with the State Community Health Advisory Committee established in section 145A.10, subdivision 10, and other stakeholders, may make recommendations as to future goals related to alcohol use and illegal drug use.

Subd. 2. **Funding local communities.** Beginning January 1, 2009, the commissioner of health must provide funding to community health boards to convene, coordinate, and lead locally developed programs targeted at achieving measurable health improvement goals. Funding to each community health board will be distributed based on a per capita formula, with a base allocation of $50,000 to each community health board that receives funding. By January 15, 2011, the commissioner of health must recommend whether additional funding should be distributed to community health boards based on health disparities demonstrated in the populations served.

Subd. 3. **Outcomes.** (a) The commissioner of health must set performance measures and annually review the progress of local communities in improving the performance measures. The commissioner may provide technical assistance and corrective action plans to ensure that local communities are making sufficient progress.

(b) The commissioner must measure current public health data, using existing measures and data collection systems when available, to determine baseline data against which progress shall be monitored.

Subd. 4. **Media campaign.** The commissioner of health must conduct a statewide marketing campaign using public media to reinforce local efforts at addressing health improvement goals. The commissioner must develop the statewide campaigns and determine the timing of these campaigns in consultation with local public health representatives.

Sec. 38. Laws 2007, chapter 146, article 2, section 46, subdivision 13, is amended to read:

Subd. 13. **Preadvanced placement, advanced placement, international baccalaureate, and concurrent enrollment programs.** For preadvanced placement, advanced placement, international baccalaureate, and concurrent enrollment programs under Minnesota Statutes, sections 120B.132 and 124D.091:

| | | | |
|---|---|---|---|
| $ | 6,500,000 | ..... | 2008 |
| $ | 6,500,000 | ..... | 2009 |

Of this amount, $2,500,000 each year is for concurrent enrollment program aid under Minnesota Statutes, section 124D.091. If the appropriation is insufficient, the commissioner must proportionately reduce the aid payment to each district. Any balance in the first year does not cancel but is available in the second year.

The base appropriation for fiscal year 2010 and later is $2,000,000.

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

Sec. 39. Laws 2007, chapter 146, article 3, section 23, subdivision 2, is amended to read:

Subd. 2. **Report.** (a) The task force must submit to the education policy and finance committees of the legislature by February 15, ~~2008~~ 2009, a report that identifies and clearly and concisely explains each provision in state law or rule that exceeds ~~or expands upon~~ a minimum federal requirement contained in law or regulation for providing special education programs and services to eligible students. The report also must recommend which state ~~provisions~~ statutes and rules that exceed ~~or expand upon~~ a minimum federal requirement may be amended to conform with minimum federal requirements or made more effective as determined by a majority of the task force members. The task force must recommend rules governing the use of aversive and deprivation procedures by school district employees or persons under contract with a school district. The task force expires when it submits its report to the legislature.

(b) Consistent with subdivision 1, the Department of Education member of the task force representing regulators shall be replaced with a parent advocate selected by a statewide organization that advocates on behalf of families with children with disabilities.

(c) The Department of Education must provide technical assistance at the request of the task force.

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

Sec. 40. Laws 2007, chapter 146, article 3, section 24, subdivision 9, is amended to read:

Subd. 9. **Special Education Task Force.** For the task force to compare federal and state special education requirements:

$ ~~20,000~~ 40,000 ..... 2008

Any balance in the first year does not cancel but is available in the second year.

This is a onetime appropriation.

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

Sec. 41. Laws 2007, chapter 146, article 5, section 13, subdivision 5, is amended to read:

Subd. 5. **Plainview-Elgin-Millville fund balance replacement aid.** For fund balance replacement aid for Independent School District No. 2899, Plainview-Elgin-Millville:

$ ~~17,000~~ 24,000 ..... 2008

This is a onetime appropriation.

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

Sec. 42. Laws 2007, chapter 146, article 7, section 4, is amended to read:

Sec. 4. **APPROPRIATIONS; DEPARTMENT OF EDUCATION.**

Subdivision 1. **Department of Education.** Unless otherwise indicated, the sums indicated in this section are appropriated from the general fund to the Department of Education for the fiscal years designated.

Subd. 2. **Department.** (a) For the Department of Education:

| | | | |
|---|---|---|---|
| $ | 22,169,000 | ..... | 2008 |
| $ | ~~22,653,000~~ 21,761,000 | ..... | 2009 |

Any balance in the first year does not cancel but is available in the second year.

(b) $7,000 in fiscal year 2008 is for GRAD test rulemaking.

(c) $7,000 in fiscal year 2008 is for rulemaking under section 3.

(d) $40,000 each year is for an early hearing loss intervention coordinator under Minnesota Statutes, section 125A.63, subdivision 5. If the department expends federal funds to employ a hearing loss coordinator under Minnesota Statutes, section 125.63, subdivision 5, then the appropriation under this paragraph is reallocated for purposes of employing a world languages coordinator.

(e) $260,000 each year is for the Minnesota Children's Museum.

(f) $41,000 each year is for the Minnesota Academy of Science.

(g) $619,000 in fiscal year 2008 and $632,000 in fiscal year 2009 are for the Board of Teaching.

(h) $163,000 in fiscal year 2008 and $171,000 in fiscal year 2009 are for the Board of School Administrators.

(i) $50,000 each year is for the Duluth Children's Museum.

(j) The expenditures of federal grants and aids as shown in the biennial budget document and its supplements are approved and appropriated and shall be spent as indicated.

(k) None of the amounts appropriated under this subdivision may be used for Minnesota's Washington, D.C., office.

Sec. 43. Laws 2007, First Special Session chapter 2, article 1, section 11, subdivision 1, is amended to read:

Subdivision 1. **Total Appropriation** **$ ~~584,000~~ 298,000**

The appropriations in this section are from the general fund. The amounts that may be spent for each purpose are specified in the following subdivisions.

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

Sec. 44. Laws 2007, First Special Session chapter 2, article 1, section 11, subdivision 2, is amended to read:

Subd. 2. **Independent School District No. 239, Rushford-Peterson**

| | |
|---|---|
| (a) **Flood Enrollment Impact Aid** | 89,000 |

The commissioner of education shall pay to the school district flood enrollment impact aid equal to $5,394 times the number of pupils lost as a result of the floods of August 2007. The district must provide to the commissioner of education documentation of the number of pupils in average daily membership lost as a result of the flood.

| | |
|---|---|
| (b) **Disaster Relief Facilities Grant** | ~~250,000~~ 150,000 |

For facilities cleanup, repair, and replacement costs related to the floods of August 2007 not covered by the district's insurance settlement or through Federal Emergency Management Agency payments. The commissioner of education may request the school district to provide necessary information before awarding a grant.

| | |
|---|---|
| (c) **Pupil Transportation Aid** | 40,000 |

For increased costs associated with transporting students as a result of the floods of August 2007.

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

Sec. 45. Laws 2007, First Special Session chapter 2, article 1, section 11, subdivision 6, is amended to read:

Subd. 6. **Disaster Relief Facilities Grants to Other Districts** ~~90,000~~ 14,000

For facilities cleanup, repair, and replacement costs related to the floods of August 2007 not covered by the district's insurance settlement or through Federal Emergency Management Agency payments. The commissioner of education may request the school district to provide necessary information before awarding a grant. School districts not included in subdivisions 2 to 5 must be given priority in the allocation of this appropriation.

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

Sec. 46. **FUND TRANSFERS.**

Subdivision 1. **Capital account transfers.** Notwithstanding any law to the contrary, on June 30, 2008, a school district may transfer money from its reserved for operating capital account to its undesignated balance in the general fund. The amount transferred by any school district must not exceed $51 times the district's adjusted marginal cost pupil units for fiscal year 2007. This transfer may occur only after the school board has adopted a written resolution stating the amount of the transfer and declaring that the school district's operating capital needs are being met.

Subd. 2. **Reserved for operating capital account transfer; Balaton school district.** Notwithstanding Minnesota Statutes, section 123B.79 or 123B.80, or subdivision 1, on June 30, 2008, Independent School District No. 411, Balaton, may transfer up to $70,000 from its reserved for operating capital account to its undesignated general fund balance.

Subd. 3. **Reserved for operating capital account transfer; East Central school district.** Notwithstanding Minnesota Statutes, section 123B.79 or 123B.80, or subdivision 1, on June 30, 2008, Independent School District No. 2580, East Central, may transfer up to $300,000 from its reserved for operating capital account to its undesignated general fund balance.

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

Sec. 47. **ONETIME GENERAL EDUCATION REVENUE INCREASE; FISCAL YEAR 2009 ONLY.**

A school district's general education revenue under Minnesota Statutes, section 126C.10, is increased for fiscal year 2009 only by an amount equal to $51 times the district's adjusted marginal cost pupil units for that year.

Sec. 48. **ALTERNATIVE TEACHER COMPENSATION AID.**

A school district that has not applied for alternative teacher compensation aid under Minnesota Statutes, section 126C.10, subdivision 34, by March 20, 2008, is not eligible for aid under that subdivision for fiscal year 2009. Nothing in this section limits a district's eligibility for alternative teacher compensation aid in subsequent fiscal years.

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

Sec. 49. **IMPLEMENTING A STUDENT GROWTH-BASED VALUE-ADDED SYSTEM.**

(a) To implement the requirements of Minnesota Statutes, section 120B.35, subdivision 3, paragraph (b), and to help parents and members of the public compare the reported data, the commissioner must convene a group of expert school district assessment and evaluation staff, including a recognized Minnesota assessment group composed of assessment and evaluation directors and staff and researchers under Minnesota Statutes, section 120B.299, subdivision 6, and interested stakeholders, including school superintendents, school principals, school teachers, and parents to examine the actual statewide performance of students using Minnesota's growth-based value-added system and establish criteria for identifying schools and school districts that demonstrate accelerated growth in order to advance educators' professional development and replicate programs that succeed in meeting students' diverse learning needs.

(b) The commissioner must submit a written report to the education committees of the house of representatives and senate by February 15, 2009, describing the criteria for identifying schools and school districts that demonstrate accelerated growth. The group convened under this section expires on June 30, 2009.

**EFFECTIVE DATE.** This section is effective the day following final enactment and applies to school report cards in the 2008-2009 school year and later.

Sec. 50. **IMPLEMENTING RIGOROUS COURSEWORK MEASURES RELATED TO STUDENT PERFORMANCE.**

(a) To implement the requirements of Minnesota Statutes, section 120B.35, subdivision 3, paragraph (c), clauses (1) and (2), and to help parents and members of the public compare the reported data, the commissioner of education must convene a group of recognized and qualified experts and interested stakeholders, including parents among other stakeholders, to develop a model projecting anticipated performance of each high school on preparation and rigorous coursework measures that compares the school with similar schools. The model must use information about entering high school students based on particular background characteristics that are predictive of differing rates of college readiness. These characteristics include grade 8 achievement levels, high school student mobility, high school student attendance, and the size of each entering ninth grade class. The group of experts and stakeholders may examine other characteristics not part of the prediction model including the nine student categories identified under the federal 2001 No Child Left Behind Act, and two student gender categories of male and female, respectively. The commissioner annually must use the predicted level of entering students' performance to provide a context for interpreting graduating students' actual performance. The group convened under this section expires June 30, 2011.

(b) Consistent with paragraph (a), the commissioner also must propose an expanded high school student data system to report preparation and rigorous coursework measures and facilitate additional research on college readiness. This proposed data system must expect school districts and charter schools to report data to the state education department on each course a high school student takes and completes. The commissioner must link the course data file to the department's existing student reporting system. The proposed data system must enable the commissioner to prepare detailed reports, consistent with the requirements in Minnesota Statutes, section 120B.35, subdivision 3, paragraph (d), clauses (1) and (2), and support the development of a state P-16 longitudinal data system.

**EFFECTIVE DATE.** This section is effective the day following final enactment and applies to school report cards beginning July 1, 2011.

Sec. 51. **IMPLEMENTING MEASURES FOR ASSESSING STUDENTS' SELF-REPORTED SENSE OF SCHOOL SAFETY, ENGAGEMENT IN SCHOOL, AND THE QUALITY OF RELATIONSHIPS WITH TEACHERS, ADMINISTRATORS, AND OTHER STUDENTS.**

(a) To implement the requirements of Minnesota Statutes, section 120B.35, subdivision 3, paragraph (d), and to help parents and members of the public compare the reported data, the commissioner of education, in consultation with interested stakeholders, including parents among other stakeholders, must convene a group of recognized and qualified experts to:

(1) analyze the University of Minnesota student safety and engagement survey instrument and other commonly recognized survey instruments to select the survey instrument that best meets state accountability requirements;

(2) ensure that the selected survey instrument has sound psychometric properties and is useful for intervention planning;

(3) determine at what grade levels to administer the survey instrument and ensure that the survey instrument can be used at those grade levels; and

(4) determine through disaggregated use of survey indicators or other means how to report "safety" in order to comply with federal law.

(b) The commissioner must submit a written report to the education committees of the house of representatives and senate by February 15, 2009, presenting the experts' responses to paragraph (a), clauses (1) to (4). The group convened under this section expires June 30, 2009.

**EFFECTIVE DATE.** This section is effective the day following final enactment and applies to school report cards beginning July 1, 2011.

Sec. 52. **GROWTH-BASED VALUE-ADDED SYSTEM.**

The growth-based value-added system used by the commissioner of education to comply with Minnesota Statutes, section 120B.35, subdivision 3, paragraph (b), must be consistent with the growth-based value-added model contained in the document labeled "Educational Report Card Growth Model" developed in partnership with the Minnesota Department of Education. The document must be deposited with the Office of the Revisor of Statutes, the Legislative Reference Library, and the State Law Library, where the document shall be maintained until the commissioner implements the growth-based value-added system under Minnesota Statutes, section 120B.35, subdivision 3, paragraph (b). The recognized Minnesota assessment group composed of assessment and evaluation directors and staff and researchers under Minnesota Statutes, section 120B.299, subdivision 6, must determine whether the growth-based value-added model the commissioner uses to comply with Minnesota Statutes, section 120B.35, subdivision 3, paragraph (b), is consistent with the deposited document and report its determination to the education committees of the house of representatives and senate by February 15, 2009.

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

Sec. 53. **EXPEDITED PROCESS; SPECIFIC LEARNING DISABILITIES RULE.**

The commissioner of education may use the expedited process under Minnesota Statutes, section 14.389, to conform Minnesota Rules, part 3525.1341, to new federal requirements on specific learning disabilities under Public Law 108-446, sections 602(30) and 614(b)(6), the Individuals with Disabilities Education Improvement Act of 2004, and its implementing regulations.

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

Sec. 54. **SCHOOL START DATE; 2009-2010 AND 2010-2011 SCHOOL YEARS.**

Notwithstanding Minnesota Statutes, section 120A.40, a school district may start an elementary or secondary school year beginning August 31 in the 2009-2010 school year and beginning August 30 in the 2010-2011 school year.

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

Sec. 55. **ENDING PARTICIPATION IN NO CHILD LEFT BEHIND.**

The commissioner of education must nullify and revoke by August 1, 2009, the consolidated state plan that the state of Minnesota submitted to the federal Department of Education on implementing the No Child Left Behind Act of 2001, and any other Minnesota state contract or agreement entered into under the provisions of the No Child Left Behind Act of 2001.

Sec. 56. **APPROPRIATIONS.**

Subdivision 1. **Department of Education.** The sums indicated in this section are appropriated from the general fund, unless otherwise indicated, to the Department of Education for the fiscal years designated.

Subd. 2. **Additional general education revenue.** For additional general education aid according to section 43:

$ 23,262,000 ..... 2009

This appropriation is in addition to any other appropriation for this purpose.

This 2009 appropriation includes $0 for 2008 and $18,926,000 for 2009.

Subd. 3. **Rushford-Peterson.** For a grant to Independent School District No. 239, Rushford-Peterson, for school district flood enrollment impact aid and aid for the increased costs of transporting students as a result of the floods of August 2007.

$ 158,000 ..... 2009

The base appropriation for fiscal year 2010 is $158,000. The base appropriation for later years is zero.

Subd. 4. **Virginia.** For a grant to Independent School District No. 701, Virginia, for emergency school facility repairs:

$ 100,000 ..... 2009

This is a onetime appropriation.

Subd. 5. **Lancaster.** For a grant to Independent School District No. 356, Lancaster, to replace the loss of sparsity revenue:

$ 100,000 ..... 2009

The base appropriation for fiscal years 2010 and 2011 is $100,000 per year. The base appropriation for later fiscal years is zero.

Subd. 6. **Principal's Leadership Institute.** For a grant to the Principal's Leadership Institute under Minnesota Statutes, section 122A.74:

$ 400,000 ..... 2009

The base appropriation for this program for fiscal year 2010 and later is $400,000.

Subd. 7. **Board of Teaching; licensure by portfolio.** For the Board of Teaching for licensure by portfolio:

$ 17,000 ..... 2009

This appropriation is from the educator licensure portfolio account of the special revenue fund.

Sec. 57. **REPEALER.**

(a) Minnesota Statutes 2006, sections 121A.67; 125A.16; 125A.19; 125A.20; and 125A.57, are repealed.

(b) Laws 2006, chapter 263, article 3, section 16; and Laws 2007, First Special Session chapter 2, article 1, section 11, subdivisions 3, and 4, are repealed.

## ARTICLE 2
## FORECAST ADJUSTMENTS

Section 1. Laws 2007, chapter 146, article 1, section 24, subdivision 2, is amended to read:

Subd. 2. **General education aid.** For general education aid under Minnesota Statutes, section 126C.13, subdivision 4:

| | | | |
|---|---|---|---|
| $ | ~~5,618,342,000~~ 5,600,647,000 | ..... | 2008 |
| $ | ~~5,618,342,000~~ 5,649,098,000 | ..... | 2009 |

The 2008 appropriation includes ~~$531,733,000~~ $536,251,000 for 2007 and ~~$5,073,250,000~~ $5,064,396,000 for 2008.

The 2009 appropriation includes ~~$546,314,000~~ $543,752,000 for 2008 and ~~$5,072,028,000~~ $5,105,346,000 for 2009.

Sec. 2. Laws 2007, chapter 146, article 1, section 24, subdivision 3, is amended to read:

Subd. 3. **Referendum tax base replacement aid.** For referendum tax base replacement aid under Minnesota Statutes, section 126C.17, subdivision 7a:

| | | | |
|---|---|---|---|
| $ | ~~870,000~~ 861,000 | ..... | 2008 |

The 2008 appropriation includes ~~$870,000~~ $861,000 for 2007 and $0 for 2008.

Sec. 3. Laws 2007, chapter 146, article 1, section 24, subdivision 4, is amended to read:

Subd. 4. **Enrollment options transportation.** For transportation of pupils attending postsecondary institutions under Minnesota Statutes, section 124D.09, or for transportation of pupils attending nonresident districts under Minnesota Statutes, section 124D.03:

| | | | |
|---|---|---|---|
| $ | ~~95,000~~ 48,000 | ..... | 2008 |
| $ | ~~97,000~~ 50,000 | ..... | 2009 |

Sec. 4. Laws 2007, chapter 146, article 1, section 24, subdivision 5, is amended to read:

Subd. 5. **Abatement revenue.** For abatement aid under Minnesota Statutes, section 127A.49:

| | | | |
|---|---|---|---|
| $ | ~~1,343,000~~ 1,333,000 | ..... | 2008 |
| $ | ~~1,347,000~~ 1,629,000 | ..... | 2009 |

The 2008 appropriation includes $76,000 for 2007 and ~~$1,267,000~~ $1,257,000 for 2008.

The 2009 appropriation includes ~~$140,000~~ $139,000 for 2008 and ~~$1,207,000~~ $1,490,000 for 2009.

Sec. 5. Laws 2007, chapter 146, article 1, section 24, subdivision 6, is amended to read:

Subd. 6. **Consolidation transition.** For districts consolidating under Minnesota Statutes, section 123A.485:

$ ~~565,000~~ 240,000 ..... 2008
$ ~~212,000~~ 339,000 ..... 2009

The 2008 appropriation includes $43,000 for 2007 and ~~$522,000~~ $197,000 for 2008.

The 2009 appropriation includes ~~$57,000~~ $21,000 for 2008 and ~~$155,000~~ $318,000 for 2009.

Sec. 6. Laws 2007, chapter 146, article 1, section 24, subdivision 7, is amended to read:

Subd. 7. **Nonpublic pupil education aid.** For nonpublic pupil education aid under Minnesota Statutes, sections 123B.40 to 123B.43, and 123B.87:

$ ~~16,290,000~~ 15,601,000 ..... 2008
$ ~~16,620,000~~ 16,608,000 ..... 2009

The 2008 appropriation includes ~~$1,606,000~~ $1,214,000 for 2007 and ~~$14,684,000~~ $14,387,000 for 2008.

The 2009 appropriation includes ~~$1,631,000~~ $1,598,000 for 2008 and ~~$14,989,000~~ $15,010,000 for 2009.

Sec. 7. Laws 2007, chapter 146, article 1, section 24, subdivision 8, is amended to read:

Subd. 8. **Nonpublic pupil transportation.** For nonpublic pupil transportation aid under Minnesota Statutes, section 123B.92, subdivision 9:

$ ~~21,551,000~~ 20,755,000 ..... 2008
$ ~~21,392,000~~ 21,007,000 ..... 2009

The 2008 appropriation includes $2,124,000 for 2007 and ~~$19,427,000~~ $18,631,000 for 2008.

The 2009 appropriation includes ~~$2,158,000~~ $2,070,000 for 2008 and ~~$19,234,000~~ $18,937,000 for 2009.

## B. EDUCATION EXCELLENCE

Sec. 8. Laws 2007, chapter 146, article 2, section 46, subdivision 2, is amended to read:

Subd. 2. **Charter school building lease aid.** For building lease aid under Minnesota Statutes, section 124D.11, subdivision 4:

| | | | |
|---|---|---|---|
| | ~~31,875,000~~ | | |
| $ | 32,817,000 | ..... | 2008 |
| | ~~36,193,000~~ | | |
| $ | 37,527,000 | ..... | 2009 |

The 2008 appropriation includes $2,814,000 for 2007 and ~~$29,061,000~~ $30,003,000 for 2008.

The 2009 appropriation includes ~~$3,229,000~~ $3,333,000 for 2008 and ~~$32,964,000~~ $34,194,000 for 2009.

Sec. 9. Laws 2007, chapter 146, article 2, section 46, subdivision 3, is amended to read:

Subd. 3. **Charter school startup cost aid.** For charter school startup cost aid under Minnesota Statutes, section 124D.11:

| | | | |
|---|---|---|---|
| | ~~1,896,000~~ | | |
| $ | 1,801,000 | ..... | 2008 |
| | ~~2,161,000~~ | | |
| $ | 1,987,000 | ..... | 2009 |

The 2008 appropriation includes ~~$241,000~~ $239,000 for 2007 and ~~$1,655,000~~ $1,562,000 for 2008.

The 2009 appropriation includes ~~$183,000~~ $173,000 for 2008 and ~~$1,978,000~~ $1,814,000 for 2009.

Sec. 10. Laws 2007, chapter 146, article 2, section 46, subdivision 4, is amended to read:

Subd. 4. **Integration aid.** For integration aid under Minnesota Statutes, section 124D.86, subdivision 5:

| | | | |
|---|---|---|---|
| | ~~61,769,000~~ | | |
| $ | 59,036,000 | ..... | 2008 |
| | ~~61,000,000~~ | | |
| $ | 62,448,000 | ..... | 2009 |

The 2008 appropriation includes $5,824,000 for 2007 and ~~$55,945,000~~ $53,212,000 for 2008.

The 2009 appropriation includes ~~$6,216,000~~ $5,912,000 for 2008 and ~~$54,784,000~~ $56,536,000 for 2009.

Sec. 11. Laws 2007, chapter 146, article 2, section 46, subdivision 6, is amended to read:

Subd. 6. **Interdistrict desegregation or integration transportation grants.** For interdistrict desegregation or integration transportation grants under Minnesota Statutes, section 124D.87:

| | | | |
|---|---|---|---|
| | ~~9,639,000~~ | | |
| $ | 9,901,000 | ..... | 2008 |
| | ~~11,567,000~~ | | |
| $ | 11,881,000 | ..... | 2009 |

Sec. 12. Laws 2007, chapter 146, article 2, section 46, subdivision 9, is amended to read:

Subd. 9. **Tribal contract schools.** For tribal contract school aid under Minnesota Statutes, section 124D.83:

| | | | |
|---|---|---|---|
| | ~~2,238,000~~ | | |
| $ | 2,207,000 | ..... | 2008 |
| | ~~2,422,000~~ | | |
| $ | 2,392,000 | ..... | 2009 |

The 2008 appropriation includes $204,000 for 2007 and ~~$2,034,000~~ $2,003,000 for 2008.

The 2009 appropriation includes ~~$226,000~~ $222,000 for 2008 and ~~$2,196,000~~ $2,170,000 for 2009.

## C. SPECIAL PROGRAMS

Sec. 13. Laws 2007, chapter 146, article 3, section 24, subdivision 3, is amended to read:

Subd. 3. **Aid for children with disabilities.** For aid under Minnesota Statutes, section 125A.75, subdivision 3, for children with disabilities placed in residential facilities within the district boundaries for whom no district of residence can be determined:

| | | | |
|---|---|---|---|
| | ~~1,538,000~~ | | |
| $ | 2,086,000 | ..... | 2008 |
| | ~~1,729,000~~ | | |
| $ | 2,282,000 | ..... | 2009 |

If the appropriation for either year is insufficient, the appropriation for the other year is available.

Sec. 14. Laws 2007, chapter 146, article 3, section 24, subdivision 4, is amended to read:

Subd. 4. **Travel for home-based services.** For aid for teacher travel for home-based services under Minnesota Statutes, section 125A.75, subdivision 1:

$ ~~254,000~~ 207,000 ..... 2008
$ ~~284,000~~ 227,000 ..... 2009

The 2008 appropriation includes $22,000 for 2007 and ~~$232,000~~ $185,000 for 2008.

The 2009 appropriation includes ~~$25,000~~ $20,000 for 2008 and ~~$259,000~~ $207,000 for 2009.

## D. FACILITIES AND TECHNOLOGY

Sec. 15. Laws 2007, chapter 146, article 4, section 16, subdivision 2, is amended to read:

Subd. 2. **Health and safety revenue.** For health and safety aid according to Minnesota Statutes, section 123B.57, subdivision 5:

$ ~~190,000~~ 254,000 ..... 2008
$ ~~179,000~~ 103,000 ..... 2009

The 2008 appropriation includes $20,000 for 2007 and ~~$170,000~~ $234,000 for 2008.

The 2009 appropriation includes ~~$18,000~~ $26,000 for 2008 and ~~$161,000~~ $77,000 for 2009.

Sec. 16. Laws 2007, chapter 146, article 4, section 16, subdivision 3, is amended to read:

Subd. 3. **Debt service equalization.** For debt service aid according to Minnesota Statutes, section 123B.53, subdivision 6:

$ ~~14,813,000~~ 14,814,000 ..... 2008
$ ~~11,124,000~~ 9,109,000 ..... 2009

The 2008 appropriation includes ~~$1,767,000~~ $1,766,000 for 2007 and ~~$13,046,000~~ $13,048,000 for 2008.

The 2009 appropriation includes ~~$1,450,000~~ $1,449,000 for 2008 and ~~$9,674,000~~ $7,660,000 for 2009.

Sec. 17. Laws 2007, chapter 146, article 4, section 16, subdivision 6, is amended to read:

Subd. 6. **Deferred maintenance aid.** For deferred maintenance aid, according to Minnesota Statutes, section 123B.591, subdivision 4:

| | | | |
|---|---|---|---|
| | ~~3,290,000~~ | | |
| $ | 3,232,000 | ..... | 2008 |
| | ~~2,667,000~~ | | |
| $ | 2,627,000 | ..... | 2009 |

The 2008 appropriation includes $0 for 2007 and ~~$3,290,000~~ $3,232,000 for 2008.

The 2009 appropriation includes ~~$365,000~~ $359,000 for 2008 and ~~$2,302,000~~ $2,268,000 for 2009.

Sec. 18. Laws 2007, chapter 146, article 4, section 16, subdivision 8, is amended to read:

Subd. 8. **School technology and operating capital aid grants.** For school technology and operating capital grants under section 11:

| | | | |
|---|---|---|---|
| | ~~38,145,000~~ | | |
| $ | 38,236,000 | ..... | 2008 |
| | ~~52,676,000~~ | | |
| $ | 52,454,000 | ..... | 2009 |

This is a onetime appropriation.

## E. NUTRITION AND ACCOUNTING

Sec. 19. Laws 2007, chapter 146, article 5, section 13, subdivision 2, is amended to read:

Subd. 2. **School lunch.** For school lunch aid according to Minnesota Statutes, section 124D.111, and Code of Federal Regulations, title 7, section 210.17:

| | | | |
|---|---|---|---|
| | ~~12,022,000~~ | | |
| $ | 12,094,000 | ..... | 2008 |
| | ~~12,166,000~~ | | |
| $ | 12,394,000 | ..... | 2009 |

Sec. 20. Laws 2007, chapter 146, article 5, section 13, subdivision 3, is amended to read:

Subd. 3. **Traditional school breakfast; kindergarten milk.** For traditional school breakfast aid and kindergarten milk under Minnesota Statutes, sections 124D.1158 and 124D.118:

| | | | |
|---|---|---|---|
| | ~~5,460,000~~ | | |
| $ | 5,583,000 | ..... | 2008 |
| | ~~5,695,000~~ | | |
| $ | 5,994,000 | ..... | 2009 |

Sec. 21. Laws 2007, chapter 146, article 5, section 13, subdivision 4, is amended to read:

Subd. 4. **Summer food service replacement aid.** For summer food service replacement aid under Minnesota Statutes, section 124D.119:

| | | | |
|---|---|---|---|
| $ | ~~150,000~~ 127,000 | ..... | 2008 |
| $ | 150,000 | ..... | 2009 |

## F. EARLY CHILDHOOD AND ADULT PROGRAMS

Sec. 22. Laws 2007, chapter 146, article 9, section 17, subdivision 2, is amended to read:

Subd. 2. **Early childhood family education aid.** For early childhood family education aid under Minnesota Statutes, section 124D.135:

| | | | |
|---|---|---|---|
| $ | ~~21,106,000~~ 21,092,000 | ..... | 2008 |
| $ | ~~29,601,000~~ 29,324,000 | ..... | 2009 |

The 2008 appropriation includes $1,796,000 for 2007 and ~~$19,310,000~~ $19,296,000 for 2008.

The 2009 appropriation includes ~~$2,145,000~~ $2,144,000 for 2008 and ~~$27,456,000~~ $27,180,000 for 2009.

Sec. 23. Laws 2007, chapter 146, article 9, section 17, subdivision 3, is amended to read:

Subd. 3. **School readiness.** For revenue for school readiness programs under Minnesota Statutes, sections 124D.15 and 124D.16:

| | | | |
|---|---|---|---|
| $ | ~~9,995,000~~ 9,987,000 | ..... | 2008 |
| $ | 10,095,000 | ..... | 2009 |

The 2008 appropriation includes ~~$909,000~~ $901,000 for 2007 and $9,086,000 for 2008.

The 2009 appropriation includes $1,009,000 for 2008 and $9,086,000 for 2009.

Sec. 24. Laws 2007, chapter 146, article 9, section 17, subdivision 4, is amended to read:

Subd. 4. **Health and developmental screening aid.** For health and developmental screening aid under Minnesota Statutes, sections 121A.17 and 121A.19:

| | | | |
|---|---|---|---|
| $ | ~~3,159,000~~ 2,624,000 | ..... | 2008 |
| $ | ~~3,330,000~~ 2,656,000 | ..... | 2009 |

The 2008 appropriation includes $288,000 for 2007 and ~~$2,871,000~~ $2,336,000 for 2008.

The 2009 appropriation includes ~~$319,000~~ $259,000 for 2008 and ~~$3,011,000~~ $2,397,000 for 2009.

Sec. 25. Laws 2007, chapter 146, article 9, section 17, subdivision 8, is amended to read:

Subd. 8. **Community education aid.** For community education aid under Minnesota Statutes, section 124D.20:

| | | | |
|---|---|---|---|
| $ | ~~1,307,000~~ 1,299,000 | ..... | 2008 |
| $ | ~~816,000~~ 796,000 | ..... | 2009 |

The 2008 appropriation includes $195,000 for 2007 and ~~$1,112,000~~ $1,104,000 for 2008.

The 2009 appropriation includes ~~$123,000~~ $122,000 for 2008 and ~~$693,000~~ $674,000 for 2009.

Sec. 26. Laws 2007, chapter 146, article 9, section 17, subdivision 9, is amended to read:

Subd. 9. **Adults with disabilities program aid.** For adults with disabilities programs under Minnesota Statutes, section 124D.56:

| | | | |
|---|---|---|---|
| $ | ~~710,000~~ 709,000 | ..... | 2008 |
| $ | 710,000 | ..... | 2009 |

The 2008 appropriation includes ~~$71,000~~ $70,000 for 2007 and $639,000 for 2008.

The 2009 appropriation includes $71,000 for 2008 and $639,000 for 2009.

School districts operating existing adults with disabilities programs that are not fully funded shall receive full funding for the program beginning in fiscal year 2008 before the commissioner awards grants to other districts.

Sec. 27. Laws 2007, chapter 146, article 9, section 17, subdivision 13, is amended to read:

Subd. 13. **Adult basic education aid.** For adult basic education aid under Minnesota Statutes, section 124D.531:

~~40,347,000~~
$ 40,344,000 ..... 2008
~~41,745,000~~
$ 41,712,000 ..... 2009

The 2008 appropriation includes $3,759,000 for 2007 and ~~$36,588,000~~ $36,585,000 for 2008.

The 2009 appropriation includes $4,065,000 for 2008 and ~~$37,680,000~~ $37,647,000 for 2009.