

A bill for an act

relating to education; providing for prekindergarten through grade 12 education, including general education, education excellence, special programs, libraries, state agencies, and self-sufficiency and lifelong learning; authorizing rulemaking; appropriating money; amending Minnesota Statutes 2006, sections 13.32, by adding a subdivision; 120A.22, subdivisions 5, 6; 120B.02; 120B.023, subdivision 2; 120B.131, subdivision 2; 120B.31, as amended; 120B.35, as amended; 120B.36, as amended; 120B.362; 121A.55; 122A.07, subdivisions 2, 3; 122A.09, subdivision 4; 122A.14, by adding subdivisions; 122A.18, by adding a subdivision; 122A.60; 122A.61, subdivision 1; 122A.75, subdivision 1; 123B.03, subdivisions 1, 2, by adding a subdivision; 123B.14, subdivision 7; 123B.51, by adding a subdivision; 123B.77, subdivision 3; 123B.81, subdivisions 3, 5; 123B.83, subdivision 3; 124D.10, subdivisions 2a, 4a, 6, 6a, 7, 8, 23; 124D.19, subdivision 14; 124D.522; 124D.55; 124D.60, subdivision 1; 124D.86, subdivision 1; 125A.15; 125A.51; 125A.65, subdivision 4, by adding a subdivision; 125A.744, subdivision 3; 126C.40, subdivision 6; 134.31, subdivision 6, by adding a subdivision; 471.88, by adding a subdivision; Minnesota Statutes 2007 Supplement, sections 120B.021, subdivision 1; 120B.15; 120B.30; 123B.143, subdivision 1; 123B.81, subdivision 4; 124D.095, subdivision 4; 124D.10, subdivisions 4, 23a; 124D.13, subdivision 11; 124D.531, subdivision 1; 125A.14; 126C.10, subdivision 34; 127A.49, subdivisions 2, 3; 134.31, subdivision 4a; Laws 2007, chapter 146, article 3, section 23, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 120B; 124D; 125B; repealing Minnesota Statutes 2006, sections 121A.67; 125A.16; 125A.19; 125A.20; 125A.57; Laws 2006, chapter 263, article 3, section 16.

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

ARTICLE 1

GENERAL EDUCATION

Section 1. Minnesota Statutes 2006, section 123B.14, subdivision 7, is amended to read:

Subd. 7. **Clerk records.** The clerk shall keep a record of all meetings of the district and the board in books provided by the district for that purpose. The clerk shall, within three days after an election, notify all persons elected of their election. By August

September 15 of each year the clerk shall file with the board a report of the revenues, expenditures and balances in each fund for the preceding fiscal year. The report together with vouchers and supporting documents shall subsequently be examined by a public accountant or the state auditor, either of whom shall be paid by the district, as provided in section 123B.77, subdivision 3. The board shall by resolution approve the report or require a further or amended report. By ~~August~~ September 15 of each year, the clerk shall make and transmit to the commissioner certified reports, showing:

~~(1) The condition and value of school property;~~

~~(2)~~ (1) The revenues and expenditures in detail, and such other financial information required by law, rule, or as may be called for by the commissioner;

~~(3)~~ (2) The length of school term and the enrollment and attendance by grades; and

~~(4)~~ (3) Such other items of information as may be called for by the commissioner.

The clerk shall enter in the clerk's record book copies of all reports and of the teachers' term reports, as they appear in the registers, and of the proceedings of any meeting as furnished by the clerk pro tem, and keep an itemized account of all the expenses of the district. The clerk shall furnish to the auditor of the proper county, by ~~October 10~~ September 30 of each year, an attested copy of the clerk's record, showing the amount of ~~money~~ proposed property taxes voted by the district or the board for school purposes; draw and sign all orders upon the treasurer for the payment of money for bills allowed by the board for salaries of officers and for teachers' wages and all claims, to be countersigned by the chair. Such orders must state the consideration, payee, and the fund and the clerk shall take a receipt therefor. Teachers' wages shall have preference in the order in which they become due, and no money applicable for teachers' wages shall be used for any other purpose, nor shall teachers' wages be paid from any fund except that raised or apportioned for that purpose.

Sec. 2. Minnesota Statutes 2006, section 123B.77, subdivision 3, is amended to read:

Subd. 3. **Statement for comparison and correction.** (a) By November 30 of the calendar year of the submission of the unaudited financial data, the district must provide to the commissioner audited financial data for the preceding fiscal year. The audit must be conducted in compliance with generally accepted governmental auditing standards, the federal Single Audit Act, and the Minnesota legal compliance guide issued by the Office of the State Auditor. An audited financial statement prepared in a form which will allow comparison with and correction of material differences in the unaudited financial data shall be submitted to the commissioner and the state auditor by December 31. The audited financial statement must also provide a statement of assurance pertaining to uniform

financial accounting and reporting standards compliance and a copy of the management letter submitted to the district by the school district's auditor.

(b) By ~~January~~ February 15 of the calendar year following the submission of the unaudited financial data, the commissioner shall convert the audited financial data required by this subdivision into the consolidated financial statement format required under subdivision 1a and publish the information on the department's Web site.

Sec. 3. Minnesota Statutes 2006, section 123B.81, subdivision 3, is amended to read:

Subd. 3. **Debt verification.** The commissioner shall establish a uniform auditing or other verification procedure for districts to determine whether a statutory operating debt exists in any Minnesota school district ~~as of June 30, 1977. This procedure must identify all interfund transfers made during fiscal year 1977 from a fund included in computing statutory operating debt to a fund not included in computing statutory operating debt.~~

The standards for this uniform auditing or verification procedure must be promulgated by the state board pursuant to chapter 14. If a district applies to the commissioner for a statutory operating debt verification ~~or if the unaudited financial statement for the school year ending June 30, 1977 reveals that a statutory operating debt might exist,~~ the commissioner shall require a verification of the amount of the statutory operating debt which actually does exist.

Sec. 4. Minnesota Statutes 2007 Supplement, section 123B.81, subdivision 4, is amended to read:

Subd. 4. **Debt elimination.** If an audit or other verification procedure conducted pursuant to subdivision 3 determines that a statutory operating debt exists, a district must follow the procedures set forth in ~~this~~ section 123B.83 to eliminate this statutory operating debt.

Sec. 5. Minnesota Statutes 2006, section 123B.81, subdivision 5, is amended to read:

Subd. 5. **Certification of debt.** The commissioner shall certify the amount of statutory operating debt for each district. ~~Prior to June 30, 1979, the commissioner may, on the basis of corrected figures, adjust the total amount of statutory operating debt certified for any district.~~

Sec. 6. Minnesota Statutes 2006, section 123B.83, subdivision 3, is amended to read:

Subd. 3. **Failure to limit expenditures.** If a district does not limit its expenditures in accordance with this section, the commissioner may so notify the appropriate committees

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of the legislature by no later than ~~January 1~~ February 15 of the year following the end of that fiscal year.

Sec. 7. Minnesota Statutes 2007 Supplement, section 126C.10, subdivision 34, is amended to read:

Subd. 34. **Basic alternative teacher compensation aid.** (a) For fiscal years 2007 ~~and later~~, 2008, and 2009, the basic alternative teacher compensation aid for a school district with a plan approved under section 122A.414, subdivision 2b, equals ~~65~~ 73.1 percent of the alternative teacher compensation revenue under section 122A.415, subdivision 1. The basic alternative teacher compensation aid for an intermediate school district or charter school with a plan approved under section 122A.414, subdivisions 2a and 2b, if the recipient is a charter school, equals \$260 times the number of pupils enrolled in the school on October 1 of the previous fiscal year, or on October 1 of the current fiscal year for a charter school in the first year of operation, times the ratio of the sum of the alternative teacher compensation aid and alternative teacher compensation levy for all participating school districts to the maximum alternative teacher compensation revenue for those districts under section 122A.415, subdivision 1.

(b) For fiscal years 2010 and later, the basic alternative teacher compensation aid for a school district with a plan approved under section 122A.414, subdivision 2b, equals 65 percent of the alternative teacher compensation revenue under section 122A.415, subdivision 1. The basic alternative teacher compensation aid for an intermediate school district or charter school with a plan approved under section 122A.414, subdivisions 2a and 2b, if the recipient is a charter school, equals \$260 times the number of pupils enrolled in the school on October 1 of the previous fiscal year, or on October 1 of the current fiscal year for a charter school in the first year of operation, times the ratio of the sum of the alternative teacher compensation aid and alternative teacher compensation levy for all participating school districts to the maximum alternative teacher compensation revenue for those districts under section 122A.415, subdivision 1.

~~(b)~~ (c) Notwithstanding paragraphs (a) and (b) and section 122A.415, subdivision 1, the state total basic alternative teacher compensation aid entitlement must not exceed \$75,636,000 for fiscal year 2007 and later. The commissioner must limit the amount of alternative teacher compensation aid approved under section 122A.415 so as not to exceed these limits.

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

Sec. 8. Minnesota Statutes 2006, section 126C.40, subdivision 6, is amended to read:

Subd. 6. **Lease purchase; installment buys.** (a) Upon application to, and approval by, the commissioner in accordance with the procedures and limits in subdivision 1, paragraphs (a) and (b), a district, as defined in this subdivision, may:

(1) purchase real or personal property under an installment contract or may lease real or personal property with an option to purchase under a lease purchase agreement, by which installment contract or lease purchase agreement title is kept by the seller or vendor or assigned to a third party as security for the purchase price, including interest, if any; and

(2) annually levy the amounts necessary to pay the district's obligations under the installment contract or lease purchase agreement.

(b) The obligation created by the installment contract or the lease purchase agreement must not be included in the calculation of net debt for purposes of section 475.53, and does not constitute debt under other law. An election is not required in connection with the execution of the installment contract or the lease purchase agreement.

(c) The proceeds of the levy authorized by this subdivision must not be used to acquire a facility to be primarily used for athletic or school administration purposes.

(d) For the purposes of this subdivision, "district" means:

(1) a racially isolated school district or a school district with a racially identifiable school required to have a comprehensive desegregation or integration plan for the elimination of segregation under Minnesota Rules, parts 3535.0100 to 3535.0180, which is eligible for revenue under section 124D.86, subdivision 3, clause (1), (2), or (3), and whose plan has been determined by the commissioner to be in compliance with Department of Education rules relating to equality of educational opportunity and school desegregation and, for a district eligible for revenue under section 124D.86, subdivision 3, clause (4) or (5), where the acquisition of property under this subdivision is determined by the commissioner to contribute to the implementation of the desegregation plan; or

(2) a school district that participates in a joint program for interdistrict desegregation with a district defined in clause (1) if the facility acquired under this subdivision is to be primarily used for the joint program and the commissioner determines that the joint programs are being undertaken to implement the districts' desegregation plan.

(e) Notwithstanding subdivision 1, the prohibition against a levy by a district to lease or rent a district-owned building to itself does not apply to levies otherwise authorized by this subdivision.

(f) For the purposes of this subdivision, any references in subdivision 1 to building or land shall include personal property.

Sec. 9. Minnesota Statutes 2007 Supplement, section 127A.49, subdivision 2, is amended to read:

Subd. 2. **Abatements.** Whenever by virtue of chapter 278, sections 270C.86, 375.192, or otherwise, the net tax capacity or referendum market value of any district for any taxable year is changed after the taxes for that year have been spread by the county auditor and the local tax rate as determined by the county auditor based upon the original net tax capacity is applied upon the changed net tax capacities, the county auditor shall, prior to February 1 of each year, certify to the commissioner of education the amount of any resulting net revenue loss that accrued to the district during the preceding year. Each year, the commissioner shall pay an abatement adjustment to the district in an amount calculated according to the provisions of this subdivision. This amount shall be deducted from the amount of the levy authorized by section 126C.46. The amount of the abatement adjustment must be the product of:

(1) the net revenue loss as certified by the county auditor, times

(2) the ratio of:

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

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

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

(C) section 124D.135, subdivision 3, if the district received early childhood family education aid according to section 124D.135 for the second preceding year;

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

~~(E) section 126C.13, if the district received general education aid according to section 126C.13, subdivision 4, paragraph (b), clause (1), of that section in the second preceding year;~~

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

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

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

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

~~(F)~~ (I) section 124D.22, subdivision 3, if the district received school-age care aid according to section 124D.22, subdivision 4, in the second preceding year;

~~(K)~~ (J) section 123B.591, subdivision 3, if the district received deferred maintenance aid according to section 123B.591, subdivision 4, in the second preceding year; and

~~(L)~~ (K) section 126C.10, subdivision 35, if the district received alternative teacher compensation equalization aid according to section 126C.10, subdivision 36, paragraph (a), in the second preceding year; to

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

Sec. 10. Minnesota Statutes 2007 Supplement, section 127A.49, subdivision 3, is amended to read:

Subd. 3. **Excess tax increment.** (a) If a return of excess tax increment is made to a district pursuant to sections 469.176, subdivision 2, and 469.177, subdivision 9, or upon decertification of a tax increment district, the school district's aid and levy limitations must be adjusted for the fiscal year in which the excess tax increment is paid under the provisions of this subdivision.

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

(1) the amount of the payment of excess tax increment to the district, times

(2) the ratio of:

(i) the sum of the amounts of the district's certified levy for the fiscal year in which the excess tax increment is paid according to the following:

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

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

(C) section 124D.135, subdivision 3, if the district received early childhood family education aid according to section 124D.135 for the second preceding year;

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

~~(E) section 126C.13, if the district received general education aid according to section 126C.13, subdivision 4, paragraph (b), clause (1), of that section in the second preceding year;~~

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

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

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

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

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

~~(K)~~ (J) section 123B.591, subdivision 3, if the district received deferred maintenance aid according to section 123B.591, subdivision 4, in the second preceding year; and

~~(L)~~ (K) section 126C.10, subdivision 35, if the district received alternative teacher compensation equalization aid according to section 126C.10, subdivision 36, paragraph (a), in the second preceding year; to

(ii) the total amount of the district's certified levy for the fiscal year, plus or minus auditor's adjustments.

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

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

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

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

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

ARTICLE 2

EDUCATION EXCELLENCE

Section 1. Minnesota Statutes 2006, section 13.32, is amended by adding a subdivision to read:

Subd. 11. **Data to improve instruction.** The Minnesota Department of Education and the Minnesota Office of Higher Education may each share educational data with the other agency for the purpose of analyzing and improving school district instruction, consistent with Code of Federal Regulations, title 34, section 99.31(a)(6). The educational

9.1 data that may be shared between the two agencies under this subdivision must be limited
9.2 to:

9.3 (1) student attendance data that include the name of the school or institution, school
9.4 district, the year or term of attendance, and term type;

9.5 (2) student demographic and enrollment data;

9.6 (3) student academic performance and testing data; and

9.7 (4) any special academic services provided to a student.

9.8 Any analysis of or report on these data must contain only summary data.

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

9.10 Sec. 2. Minnesota Statutes 2006, section 120B.02, is amended to read:

9.11 **120B.02 EDUCATIONAL EXPECTATIONS FOR MINNESOTA'S**
9.12 **STUDENTS.**

9.13 (a) The legislature is committed to establishing rigorous academic standards for
9.14 Minnesota's public school students. To that end, the commissioner shall adopt in rule
9.15 statewide academic standards. The commissioner shall not prescribe in rule or otherwise
9.16 the delivery system, classroom assessments, or form of instruction that school sites must
9.17 use. For purposes of this chapter, a school site is a separate facility, or a separate program
9.18 within a facility that a local school board recognizes as a school site for funding purposes.

9.19 (b) All commissioner actions regarding the rule must be premised on the following:

9.20 (1) the rule is intended to raise academic expectations for students, teachers, and
9.21 schools;

9.22 (2) any state action regarding the rule must evidence consideration of school district
9.23 autonomy; and

9.24 (3) the Department of Education, with the assistance of school districts, must make
9.25 available information about all state initiatives related to the rule to students and parents,
9.26 teachers, and the general public in a timely format that is appropriate, comprehensive, and
9.27 readily understandable.

9.28 (c) When fully implemented, the requirements for high school graduation in
9.29 Minnesota must require students to satisfactorily complete, as determined by the school
9.30 district, the course credit requirements under section 120B.024 and successfully pass
9.31 graduation examinations required under section 120B.30.

9.32 ~~(1) for students enrolled in grade 8 before the 2005-2006 school year, to pass the~~
9.33 ~~basic skills test requirements; and~~

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~~(2) for students enrolled in grade 8 in the 2005-2006 school year and later, to pass the Minnesota Comprehensive Assessments Second Edition (MCA-II's).~~

(d) The commissioner shall periodically review and report on the state's assessment process.

(e) School districts are not required to adopt specific provisions of the federal School-to-Work programs.

Sec. 3. Minnesota Statutes 2007 Supplement, section 120B.021, subdivision 1, is amended to read:

Subdivision 1. **Required academic standards.** The following subject areas are required for statewide accountability:

(1) language arts;

(2) mathematics;

(3) science;

(4) social studies, including history, geography, economics, and government and citizenship;

(5) health and physical education, for which locally developed academic standards apply; and

(6) the arts, for which statewide or locally developed academic standards apply, as determined by the school district. Public elementary and middle schools must offer at least three and require at least two of the following four arts areas: dance; music; theater; and visual arts. Public high schools must offer at least three and require at least one of the following five arts areas: media arts; dance; music; theater; and visual arts.

The commissioner must submit proposed standards in science and social studies to the legislature by February 1, 2004.

For purposes of applicable federal law, the academic standards for language arts, mathematics, and science apply to all public school students, ~~except the very few students with extreme cognitive or physical impairments for whom an individualized education plan team has determined that the required academic standards are inappropriate.~~ ~~An individualized education plan team that makes this determination must establish alternative standards~~ with appropriate alternate achievement standards based on these academic standards for students with individualized education plans.

A school district, no later than the 2007-2008 school year, must adopt graduation requirements that meet or exceed state graduation requirements established in law or rule. A school district that incorporates these state graduation requirements before the 2007-2008 school year must provide students who enter the 9th grade in or before

11.1 the 2003-2004 school year the opportunity to earn a diploma based on existing locally
11.2 established graduation requirements in effect when the students entered the 9th grade.
11.3 District efforts to develop, implement, or improve instruction or curriculum as a result
11.4 of the provisions of this section must be consistent with sections 120B.10, 120B.11,
11.5 and 120B.20.

11.6 The commissioner must include the contributions of Minnesota American Indian
11.7 tribes and communities as they relate to the academic standards during the review and
11.8 revision of the required academic standards.

11.9 Sec. 4. Minnesota Statutes 2006, section 120B.023, subdivision 2, is amended to read:

11.10 Subd. 2. **Revisions and reviews required.** (a) The commissioner of education must
11.11 revise and appropriately embed technology and information literacy standards consistent
11.12 with recommendations from school media specialists into the state's academic standards
11.13 and graduation requirements and implement a review cycle for state academic standards
11.14 and related benchmarks, consistent with this subdivision. During each review cycle, the
11.15 commissioner also must examine the alignment of each required academic standard and
11.16 related benchmark with the knowledge and skills students need for college readiness and
11.17 advanced work in the particular subject area.

11.18 (b) The commissioner in the 2006-2007 school year must revise and align the state's
11.19 academic standards and high school graduation requirements in mathematics to require
11.20 that students satisfactorily complete the revised mathematics standards, beginning in the
11.21 2010-2011 school year. Under the revised standards:

11.22 (1) students must satisfactorily complete an algebra I credit by the end of eighth
11.23 grade; and

11.24 (2) students scheduled to graduate in the 2014-2015 school year or later must
11.25 satisfactorily complete an algebra II credit or its equivalent.

11.26 The commissioner also must ensure that the statewide mathematics assessments
11.27 administered to students in grades 3 through 8 and 11 beginning in the 2010-2011 school
11.28 year are aligned with the state academic standards in mathematics. The commissioner
11.29 must ensure that the statewide 11th-grade mathematics test assessment administered to
11.30 students under clause (2) in grade 11 beginning in the 2013-2014 school year ~~must~~
11.31 ~~include~~ is aligned with state academic standards in mathematics, including algebra II test
11.32 ~~items that are aligned with corresponding state academic standards in mathematics.~~ The
11.33 commissioner must implement a review of the academic standards and related benchmarks
11.34 in mathematics beginning in the 2015-2016 school year.

12.1 (c) The commissioner in the 2007-2008 school year must revise and align the state's
12.2 academic standards and high school graduation requirements in the arts to require that
12.3 students satisfactorily complete the revised arts standards beginning in the 2010-2011
12.4 school year. The commissioner must implement a review of the academic standards and
12.5 related benchmarks in arts beginning in the 2016-2017 school year.

12.6 (d) The commissioner in the 2008-2009 school year must revise and align the
12.7 state's academic standards and high school graduation requirements in science to require
12.8 that students satisfactorily complete the revised science standards, beginning in the
12.9 2011-2012 school year. The commissioner also must ensure that the statewide science
12.10 assessments administered to students under section 120B.30, subdivision 1a, beginning
12.11 in the 2011-2012 school year, are aligned with the state academic standards in science.
12.12 Under the revised standards, students scheduled to graduate in the 2014-2015 school year
12.13 or later must satisfactorily complete a chemistry or physics credit. The commissioner
12.14 must implement a review of the academic standards and related benchmarks in science
12.15 beginning in the 2017-2018 school year.

12.16 (e) The commissioner in the 2009-2010 school year must revise and align the state's
12.17 academic standards and high school graduation requirements in language arts to require
12.18 that students satisfactorily complete the revised language arts standards beginning in the
12.19 2012-2013 school year. The commissioner also must ensure that the statewide language
12.20 arts assessments administered to students in grades 3 through 8 and grade 10 beginning
12.21 in the 2012-2013 school year are aligned with the state academic standards in language
12.22 arts. The commissioner must implement a review of the academic standards and related
12.23 benchmarks in language arts beginning in the 2018-2019 school year.

12.24 (f) The commissioner in the 2010-2011 school year must revise and align the state's
12.25 academic standards and high school graduation requirements in social studies to require
12.26 that students satisfactorily complete the revised social studies standards beginning in the
12.27 2013-2014 school year. The commissioner must implement a review of the academic
12.28 standards and related benchmarks in social studies beginning in the 2019-2020 school year.

12.29 (g) School districts and charter schools must revise and align local academic
12.30 standards and high school graduation requirements in health, physical education, world
12.31 languages, and career and technical education to require students to complete the revised
12.32 standards beginning in a school year determined by the school district or charter school.
12.33 School districts and charter schools must formally establish a periodic review cycle for
12.34 the academic standards and related benchmarks in health, physical education, world
12.35 languages, and career and technical education.

13.1 Sec. 5. Minnesota Statutes 2006, section 120B.131, subdivision 2, is amended to read:

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

13.11 Sec. 6. Minnesota Statutes 2007 Supplement, section 120B.15, is amended to read:

13.12 **120B.15 GIFTED AND TALENTED STUDENTS PROGRAMS.**

13.13 (a) School districts may identify students, locally develop programs, provide
13.14 staff development, and evaluate programs to provide gifted and talented students with
13.15 challenging educational programs.

13.16 (b) School districts may adopt guidelines for assessing and identifying students for
13.17 participation in gifted and talented programs. The guidelines should include the use of:

13.18 (1) multiple and objective criteria; ~~and~~

13.19 (2) assessments and procedures that are valid and reliable, fair, and based on current
13.20 theory and research; and

13.21 (3) an identification appeals process.

13.22 (c) School districts must adopt procedures for the academic acceleration of gifted
13.23 and talented students. These procedures must include how the district will:

13.24 (1) assess a student's readiness and motivation for acceleration; and

13.25 (2) match the level, complexity, and pace of the curriculum to a student to achieve
13.26 the best type of academic acceleration for that student.

13.27 Sec. 7. **[120B.299] DEFINITIONS.**

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

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

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

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

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

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

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

14.20 Sec. 8. Minnesota Statutes 2007 Supplement, section 120B.30, is amended to read:

14.21 **120B.30 STATEWIDE TESTING AND REPORTING SYSTEM.**

14.22 Subdivision 1. **Statewide testing.** (a) The commissioner, with advice from experts
14.23 with appropriate technical qualifications and experience and stakeholders, consistent with
14.24 subdivision 1a, shall include in the comprehensive assessment system, for each grade
14.25 level to be tested, state-constructed tests developed from and aligned with the state's
14.26 required academic standards under section 120B.021 and administered annually to all
14.27 students in grades 3 through 8 and at the high school level. A state-developed test in a
14.28 subject other than writing, ~~developed after the 2002-2003 school year,~~ must include both
14.29 machine-scoreable and constructed response questions. The commissioner shall establish
14.30 one or more months during which schools shall administer the tests to students each
14.31 school year. Schools that the commissioner identifies for stand-alone field testing or other
14.32 national sampling must participate as directed. Superintendents or charter school directors
14.33 may appeal in writing to the commissioner for an exemption from a field test based on
14.34 undue hardship. The commissioner's decision regarding the appeal is final. For students

15.1 enrolled in grade 8 before the 2005-2006 school year, only Minnesota basic skills tests in
15.2 reading, mathematics, and writing shall fulfill students' basic skills testing requirements for
15.3 a passing state notation. The passing scores of basic skills tests in reading and mathematics
15.4 are the equivalent of 75 percent correct for students entering grade 9 ~~in 1997 and thereafter,~~
15.5 ~~as based on the first uniform test administration of~~ administered in February 1998.

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

15.8 (1) for reading and mathematics:

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

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

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

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

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

15.29 (2) for writing:

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

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

15.34 (iii) achieving an individual passing score on the graduation-required assessment
15.35 for diploma as determined by appropriate state guidelines for students with an individual
15.36 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. 9. 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

19.1 the legislature and the commissioner of education, at least on a biennial basis, on the
19.2 degree to which the statewide educational accountability and reporting system includes a
19.3 comprehensive assessment framework that measures school accountability for students
19.4 achieving the goals described in the state's ~~results-oriented~~ high school graduation
19.5 rule. The office shall determine and annually report to the legislature whether and how
19.6 effectively:

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

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

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

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

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

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

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

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

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

20.1 report the commissioner disseminates containing summary data on student performance
20.2 must integrate student performance and the demographic factors that strongly correlate
20.3 with that performance.

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

20.5 Sec. 10. Minnesota Statutes 2006, section 120B.35, as amended by Laws 2007, chapter
20.6 147, article 8, section 38, is amended to read:

20.7 **120B.35 STUDENT ACADEMIC ACHIEVEMENT AND ~~PROGRESS~~**
20.8 **GROWTH.**

20.9 Subdivision 1. ~~Adequate yearly progress of schools and students~~ **School and**
20.10 **student indicators of growth and achievement.** The commissioner must ~~develop~~
20.11 ~~and implement~~ maintain a system for measuring and reporting academic achievement
20.12 and individual student ~~progress~~ growth, consistent with the statewide educational
20.13 accountability and reporting system. The system components ~~of the system~~ must measure
20.14 the adequate yearly progress of schools and the growth of individual students: students'
20.15 current achievement in schools under subdivision 2; and individual students' educational
20.16 ~~progress~~ growth over time under subdivision 3. The system also must include statewide
20.17 measures of student academic ~~achievement~~ growth that identify schools with high levels
20.18 of ~~achievement~~ growth, and also schools with low levels of ~~achievement~~ growth that need
20.19 improvement. When determining a school's effect, the data must include both statewide
20.20 measures of student achievement and, ~~to the extent annual tests are administered,~~
20.21 indicators of achievement growth that take into account a student's prior achievement.
20.22 Indicators of achievement and prior achievement must be based on highly reliable
20.23 statewide or districtwide assessments. Indicators that take into account a student's prior
20.24 achievement must not be used to disregard a school's low achievement or to exclude
20.25 a school from a program to improve low achievement levels. ~~The commissioner by~~
20.26 ~~January 15, 2002, must submit a plan for integrating these components to the chairs of~~
20.27 ~~the legislative committees having policy and budgetary responsibilities for elementary~~
20.28 ~~and secondary education.~~

20.29 Subd. 2. **Expectations for federally mandated student academic achievement.**

20.30 (a) Each school year, a school district must determine if the student achievement levels
20.31 at each school site meet ~~state and local~~ federally mandated expectations. If student
20.32 achievement levels at a school site do not meet ~~state and local~~ federally mandated
20.33 expectations and the site has not made adequate yearly progress for two consecutive
20.34 school years, beginning with the 2001-2002 school year, the district must work with the

21.1 school site to adopt a plan to raise student achievement levels to meet ~~state and local~~
21.2 federally mandated expectations. The commissioner of education shall establish student
21.3 academic achievement levels to comply with this paragraph.

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

21.9 (c) The commissioner must:

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

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

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

21.17 Subd. 3. **Student ~~progress assessment~~ growth; other state measures.** (a)

21.18 The state's educational assessment system ~~component~~ measuring individual students'
21.19 educational ~~progress must be~~ growth is based, ~~to the extent annual tests are administered,~~
21.20 on indicators of achievement growth that show an individual student's prior achievement.
21.21 Indicators of achievement and prior achievement ~~must be~~ are based on highly reliable
21.22 statewide or districtwide assessments.

21.23 (b) The commissioner must ~~identify effective models for measuring individual~~
21.24 ~~student progress that enable a school district or school site to perform gains-based~~
21.25 ~~analysis, including evaluating the effects of the teacher, school, and school district on~~
21.26 ~~student achievement over time. At least one model must be a "value-added" assessment~~
21.27 ~~model that reliably estimates those effects for classroom settings where a single teacher~~
21.28 ~~teaches multiple subjects to the same group of students, for team teaching arrangements,~~
21.29 ~~and for other teaching circumstances.~~ use a growth-based value-added system. The
21.30 commissioner must apply the state growth norm to students in grades 4 through 8
21.31 beginning in the 2008-2009 school year, consistent with section 120B.299, subdivision
21.32 6, initially benchmarking the state growth norm to 2006-2007 school year data. The
21.33 model must allow the user to:

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

21.35 (2) for all student categories with a cell size of at least 20, report and compare
21.36 aggregated and disaggregated state growth data using the nine student categories identified

22.1 under the federal 2001 No Child Left Behind Act and two student gender categories of
22.2 male and female, respectively. The model must measure the effects that teacher teams
22.3 within a grade, teacher teams across an entire grade, the school, and the school district
22.4 have on student growth.

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

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

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

22.22 (2) a rigorous coursework measure indicating the number and percentage of high
22.23 school graduates in the most recent school year who successfully completed one or more
22.24 college-level advanced placement, international baccalaureate, postsecondary enrollment
22.25 options including concurrent enrollment, other rigorous courses of study under section
22.26 120B.021, subdivision 1a, or industry certification courses or programs.

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

22.31 (e) When reporting student performance under section 120B.36, subdivision 1, the
22.32 commissioner annually, beginning July 1, 2011, must include summary data showing
22.33 students' average self-reported sense of school safety, engagement in school, and the
22.34 quality of students' relationship with teachers, administrators, and other students. The
22.35 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.

The commissioner also must use those learned best practices to provide additional assistance and intervention support to a district or school site that does not meet either federally mandated expectations or 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. 11. 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 or other status determination in writing to the commissioner within 30 days of receiving the notice of its status- determination. The commissioner must give the affected school or school district notice and the opportunity for a hearing before an appeals advisory committee within 30 days after the commissioner receives the written appeal. The commissioner must notify the school or district of the date, time, and place of the hearing at least 21 days before the hearing date. Within 30 days after the hearing, the appeals advisory committee must submit a written recommendation to the commissioner regarding whether to grant or deny the appeal and include the reasons for its recommendation. The commissioner must finally decide an appeal based on an objective evaluation and must make and transmit to the school or district the commissioner's evaluation and final decision within 15 days of receiving the advisory committee recommendation. The commissioner, after consulting with the appeals advisory committee, may postpone the hearing date under special circumstances. The appeals advisory committee is composed of five members:

(1) a representative of a statewide professional teachers' organization selected by the organization;

(2) a representative of a statewide organization of school administrators selected by the organization;

25.1 (3) a representative of a statewide parent and teachers organization selected by the
25.2 organization;

25.3 (4) a representative of a statewide commerce organization having a significant
25.4 interest in K-12 education selected by the organization; and

25.5 (5) a representative of a statewide school boards association selected by the
25.6 organization.

25.7 Membership terms and removal of members are governed by section 15.059, except
25.8 that the terms are three years. The commissioner may reimburse members for expenses
25.9 under section 15.059 only if federal funding is available for this purpose. The appeals
25.10 advisory committee does not expire.

25.11 The commissioner must seek the advice of the appeals advisory committee before
25.12 deciding an appeal. The commissioner's decision to uphold or deny an appeal is final.

25.13 (e) School performance report ~~cards~~ card data are nonpublic data under section
25.14 13.02, subdivision 9, until not later than ten days after the appeal procedure described in
25.15 paragraph (d) concludes. The department shall annually post school performance report
25.16 cards to its public Web site no later than September 1.

25.17 Subd. 1a. **GRAD test appeals.** (a) Consistent with this subdivision, the
25.18 commissioner must collaborate with high school teachers, high school administrators,
25.19 parents of high school students, school district assessment directors, higher education
25.20 faculty with expertise in kindergarten through grade 12 education and assessment, and
25.21 other interested experts and stakeholders to establish a timely, transparent, and data-based
25.22 appeals process that allows school districts, at their discretion, to grant a diploma to high
25.23 school seniors in the 2008-2009, 2009-2010, and 2010-2011 school years who do not
25.24 receive a passing score on the state reading or math GRAD test.

25.25 (b) A high school student in the 2008-2009, 2009-2010, or 2010-2011 school year
25.26 who does not receive a passing score on the state reading or math GRAD test by April of
25.27 the student's senior year may appeal to the chief administrator of the high school where
25.28 the student is enrolled, in the form and manner the commissioner determines, requesting
25.29 that the school district grant the student a high school diploma without passing the reading
25.30 or math GRAD test. The high school administrator, in collaboration with teachers and
25.31 other school staff selected by the administrator, must formally decide whether or not to
25.32 grant the student a high school diploma based on multiple, well-understood measures of
25.33 student learning that measurement experts have determined to be valid and reliable and
25.34 that are available to the educators deciding whether or not to grant the student's request.
25.35 School district officials must use the data that form the bases of the student appeals under
25.36 this subdivision, where appropriate, to revise district curriculum to ensure that all students

26.1 have an equal opportunity to learn and provide appropriate academic intervention and
26.2 remediation to students who fail to pass the state's reading or math GRAD test.

26.3 (c) The commissioner must evaluate the effectiveness and impact of the appeals
26.4 process and recommend to the legislature by February 1, 2011, whether or not to continue
26.5 the appeals process under this subdivision. If the commissioner recommends continuing
26.6 this process, the commissioner also must recommend student performance levels for the
26.7 state reading and math GRAD tests and the appropriate indicators for school districts to
26.8 consider in deciding whether or not to grant a diploma to high school seniors who do not
26.9 receive a passing score on the state reading or math GRAD test.

26.10 Subd. 2. **Adequate yearly progress data.** All data the department receives,
26.11 collects, or creates ~~for purposes of determining to determine~~ adequate yearly progress
26.12 ~~designations~~ status under Public Law 107-110, section 1116, set state growth norms, and
26.13 determine student growth are nonpublic data under section 13.02, subdivision 9, until not
26.14 later than ten days after the appeal procedure described in subdivision 1, paragraph (d),
26.15 concludes. Districts must provide parents sufficiently detailed summary data to permit
26.16 parents to appeal under Public Law 107-110, section 1116(b)(2). The department shall
26.17 annually post federally mandated adequate yearly progress data and state student growth
26.18 data to its public Web site no later than September 1.

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

26.20 Sec. 12. Minnesota Statutes 2006, section 120B.362, is amended to read:

26.21 **120B.362 GROWTH-BASED VALUE-ADDED ASSESSMENT PROGRAM.**

26.22 ~~(a)~~ The commissioner of education must implement a growth-based value-added
26.23 assessment program to assist school districts, public schools, and charter schools in
26.24 assessing and reporting individual students' growth in academic achievement under section
26.25 120B.30, subdivision 1a. The program must use assessments of individual students'
26.26 academic achievement to make longitudinal comparisons of each student's academic
26.27 growth over time. ~~School districts, public schools, and charter schools may apply to the~~
26.28 ~~commissioner to participate in the initial trial program using a form and in the manner the~~
26.29 ~~commissioner prescribes. The commissioner must select program participants from urban,~~
26.30 ~~suburban, and rural areas throughout the state.~~

26.31 ~~(b) The commissioner may issue a request for proposals to contract with an~~
26.32 ~~organization that provides a value-added assessment model that reliably estimates school~~
26.33 ~~and school district effects on students' academic achievement over time. The model the~~
26.34 ~~commissioner selects must accommodate diverse data and must use each student's test~~

27.1 ~~data across grades. Data on individual teachers generated under the model are personnel~~
27.2 ~~data under section 13.43.~~

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

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

27.6 Sec. 13. Minnesota Statutes 2006, section 121A.55, is amended to read:

27.7 **121A.55 POLICIES TO BE ESTABLISHED.**

27.8 (a) The commissioner of education shall promulgate guidelines to assist each
27.9 school board. Each school board shall establish uniform criteria for dismissal and adopt
27.10 written policies and rules to effectuate the purposes of sections 121A.40 to 121A.56.
27.11 The policies shall emphasize preventing dismissals through early detection of problems
27.12 and shall be designed to address students' inappropriate behavior from recurring. The
27.13 policies shall recognize the continuing responsibility of the school for the education of
27.14 the pupil during the dismissal period. The alternative educational services, if the pupil
27.15 wishes to take advantage of them, must be adequate to allow the pupil to make progress
27.16 towards meeting the graduation standards adopted under section 120B.02 and help prepare
27.17 the pupil for readmission.

27.18 (b) An area learning center under section 123A.05 may not prohibit an expelled or
27.19 excluded pupil from enrolling solely because a district expelled or excluded the pupil. The
27.20 board of the area learning center may use the provisions of the Pupil Fair Dismissal Act to
27.21 exclude a pupil or to require an admission plan.

27.22 (c) Each school district shall develop a policy and report it to the commissioner on
27.23 the appropriate use of peace officers and crisis teams to remove students who have an
27.24 individualized education plan from school grounds.

27.25 (d) Each school district must include in the student policies it annually disseminates
27.26 to students and their parents an expectation that students cooperate with educators and,
27.27 as educators and circumstances direct, provide information to educators on school
27.28 disciplinary, classroom, and other education and school matters, consistent with the due
27.29 process provisions of the Pupil Fair Dismissal Act. For purposes of this paragraph, the
27.30 requirements of section 13.04 apply only when a school administrator asks a student to
27.31 provide information that the school administrator reasonably believes may lead to the
27.32 student's expulsion. Notwithstanding section 13.05, subdivision 4, educators may use the
27.33 private and confidential data on students they collect under this paragraph, consistent with
27.34 the requirements governing educational data under section 13.32.

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

28.2 Sec. 14. Minnesota Statutes 2006, section 122A.07, subdivision 2, is amended to read:

28.3 Subd. 2. **Eligibility; board composition.** Except for the representatives of higher
28.4 education and the public, to be eligible for appointment to the Board of Teaching a person
28.5 must be a teacher currently teaching in a Minnesota school and fully licensed for the
28.6 position held and have at least five years teaching experience in Minnesota, including the
28.7 two years immediately preceding nomination and appointment. Each nominee, other than
28.8 a public nominee, must be selected on the basis of professional experience and knowledge
28.9 of teacher education, accreditation, and licensure. The board must be composed of:

28.10 (1) six teachers who are currently teaching in a Minnesota school or who were
28.11 teaching at the time of the appointment, at least four of whom must be teaching in a
28.12 public school;

28.13 (2) one higher education representative, who must be a faculty member preparing
28.14 teachers;

28.15 (3) one school administrator; and

28.16 (4) three members of the public, two of whom must be present or former members
28.17 of school boards.

28.18 Sec. 15. Minnesota Statutes 2006, section 122A.07, subdivision 3, is amended to read:

28.19 Subd. 3. **Vacant position.** With the exception of a teacher who retires from teaching
28.20 during the course of completing a board term, the position of a member who leaves
28.21 Minnesota or whose employment status changes to a category different from that from
28.22 which appointed is deemed vacant.

28.23 Sec. 16. Minnesota Statutes 2006, section 122A.09, subdivision 4, is amended to read:

28.24 Subd. 4. **License and rules.** (a) The board must adopt rules to license public school
28.25 teachers and interns subject to chapter 14.

28.26 (b) The board must adopt rules requiring a person to successfully complete a skills
28.27 examination in reading, writing, and mathematics as a requirement for initial teacher
28.28 licensure. Such rules must require college and universities offering a board-approved
28.29 teacher preparation program to provide remedial assistance to persons who did not
28.30 achieve a qualifying score on the skills examination, including those for whom English is
28.31 a second language.

28.32 (c) The board must adopt rules to approve teacher preparation programs. The board,
28.33 upon the request of a postsecondary student preparing for teacher licensure or a licensed

29.1 graduate of a teacher preparation program, shall assist in resolving a dispute between the
29.2 person and a postsecondary institution providing a teacher preparation program when the
29.3 dispute involves an institution's recommendation for licensure affecting the person or the
29.4 person's credentials. At the board's discretion, assistance may include the application
29.5 of chapter 14.

29.6 (d) The board must provide the leadership and shall adopt rules for the redesign of
29.7 teacher education programs to implement a research based, results-oriented curriculum
29.8 that focuses on the skills teachers need in order to be effective. The board shall implement
29.9 new systems of teacher preparation program evaluation to assure program effectiveness
29.10 based on proficiency of graduates in demonstrating attainment of program outcomes.
29.11 The board must require that persons enrolled in a teacher preparation program receive
29.12 instruction in historical and cultural competencies related to Minnesota American
29.13 Indian tribes and communities and their contributions to Minnesota, consistent with
29.14 sections 120B.021, subdivision 1, and 124D.71 to 124D.82. The competencies related
29.15 to Minnesota American Indian tribes and communities must include, among other
29.16 components, standards for instructional practices most effective for successfully teaching
29.17 elementary and secondary American Indian students.

29.18 (e) The board must adopt rules requiring successful completion of an examination
29.19 of general pedagogical knowledge and examinations of licensure-specific teaching
29.20 skills. The rules shall be effective on the dates determined by the board but not later
29.21 than September 1, 2001.

29.22 (f) The board must adopt rules requiring teacher educators to work directly with
29.23 elementary or secondary school teachers in elementary or secondary schools to obtain
29.24 periodic exposure to the elementary or secondary teaching environment.

29.25 (g) The board must grant licenses to interns and to candidates for initial licenses.

29.26 (h) The board must design and implement an assessment system which requires a
29.27 candidate for an initial license and first continuing license to demonstrate the abilities
29.28 necessary to perform selected, representative teaching tasks at appropriate levels.

29.29 (i) The board must receive recommendations from local committees as established
29.30 by the board for the renewal of teaching licenses.

29.31 (j) The board must grant life licenses to those who qualify according to requirements
29.32 established by the board, and suspend or revoke licenses pursuant to sections 122A.20 and
29.33 214.10. The board must not establish any expiration date for application for life licenses.

29.34 (k) The board must adopt rules that require all licensed teachers who are renewing
29.35 their continuing license to include in their renewal requirements further preparation in
29.36 the areas of using positive behavior interventions and in accommodating, modifying, and

30.1 adapting curricula, materials, and strategies to appropriately meet the needs of individual
30.2 students and ensure adequate progress toward the state's graduation rule.

30.3 (l) In adopting rules to license public school teachers who provide health-related
30.4 services for disabled children, the board shall adopt rules consistent with license or
30.5 registration requirements of the commissioner of health and the health-related boards who
30.6 license personnel who perform similar services outside of the school.

30.7 (m) The board must adopt rules that require all licensed teachers who are renewing
30.8 their continuing license to include in their renewal requirements further reading
30.9 preparation, consistent with section 122A.06, subdivision 4. The rules do not take effect
30.10 until they are approved by law. Teachers who do not provide direct instruction including, at
30.11 least, counselors, school psychologists, school nurses, school social workers, audiovisual
30.12 directors and coordinators, and recreation personnel are exempt from this section.

30.13 (n) The board must adopt rules that require all licensed teachers who are renewing
30.14 their continuing license to include in their renewal requirements further preparation
30.15 in understanding the key warning signs of early-onset mental illness in children and
30.16 adolescents.

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

30.19 Sec. 17. Minnesota Statutes 2006, section 122A.14, is amended by adding a
30.20 subdivision to read:

30.21 **Subd. 2a. Gifted and talented preparation.** A university approved by the board to
30.22 prepare candidates for administrative licensure must provide candidates, as part of the
30.23 traditional and alternative preparation programs, the opportunity to acquire competency in
30.24 administering gifted and talented services.

30.25 **EFFECTIVE DATE.** This section is effective the day following final enactment
30.26 and applies to candidates who enroll in either a traditional or an alternative preparation
30.27 administrator licensure program after August 15, 2009.

30.28 Sec. 18. Minnesota Statutes 2006, section 122A.14, is amended by adding a
30.29 subdivision to read:

30.30 **Subd. 2c. Gifted and talented preparation; board review.** (a) The board must
30.31 periodically review and approve traditional and alternative preparation sequences for
30.32 school administrators and the sequence of competencies in administering gifted and
30.33 talented student programs and services.

31.1 (b) The board also may advise a university on developing and implementing
31.2 continuing education programs focused on building competencies for administering gifted
31.3 and talented programs and other gifted services.

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

31.5 Sec. 19. Minnesota Statutes 2006, section 122A.18, is amended by adding a
31.6 subdivision to read:

31.7 Subd. 10. **Gifted and talented preparation; board review.** (a) A college or
31.8 university with a teacher preparation program approved by the board must provide teacher
31.9 candidates with the opportunity to acquire competency in recognizing gifted students and
31.10 in providing classroom instruction to gifted and talented students.

31.11 (b) The board must periodically review and approve traditional and alternative
31.12 sequences for teacher candidates in recognizing gifted students and in providing classroom
31.13 instruction to gifted and talented students.

31.14 **EFFECTIVE DATE.** This section is effective the day following final enactment
31.15 and applies to teacher candidates who enroll in either a traditional or an alternative
31.16 preparation teacher licensure program after September 1, 2009.

31.17 Sec. 20. Minnesota Statutes 2006, section 122A.60, is amended to read:

31.18 **122A.60 STAFF DEVELOPMENT PROGRAM.**

31.19 Subdivision 1. **Staff development committee.** A school board must use the revenue
31.20 authorized in section 122A.61 for ~~in-service~~ education for programs under section
31.21 120B.22, subdivision 2, or for staff development plans under this section. The board
31.22 must establish an advisory staff development committee to develop the plan, assist site
31.23 professional development teams in developing a site plan consistent with the goals of the
31.24 plan, and evaluate staff development efforts at the site level. A majority of the advisory
31.25 committee and the site professional development team must be teachers representing
31.26 various grade levels, subject areas, and special education. The advisory committee must
31.27 also include nonteaching staff, parents, and administrators.

31.28 Subd. 1a. **Effective staff development activities.** (a) Staff development activities
31.29 must be aligned with the district and school site staff development plans, based on student
31.30 achievement data, focused on student learning goals, and used in the classroom setting.
31.31 Activities must:

31.32 (1) focus on the school classroom and research-based strategies that improve student
31.33 learning;

32.1 (2) provide opportunities for teachers to practice and improve their instructional
32.2 skills over time;

32.3 (3) provide regular opportunities for teachers to use student data as part of their
32.4 daily work to increase student achievement;

32.5 (4) enhance teacher content knowledge and instructional skills;

32.6 (5) align with state and local academic standards;

32.7 (6) provide job-embedded or integrated professional development opportunities
32.8 during teacher contract day to build professional relationships, foster collaboration among
32.9 principals and staff ~~who provide instruction~~ to identify instructional strategies to meet
32.10 student learning goals, plan for instruction, practice new teaching strategies, review
32.11 the results of implementing strategies, and provide opportunities for teacher-to-teacher
32.12 coaching and mentoring; and

32.13 (7) align with the plan of the district or site for an alternative teacher professional
32.14 pay system.

32.15 Staff development activities may also include curriculum development and curriculum
32.16 training programs, and activities that provide teachers and other members of site-based
32.17 teams training to enhance team performance. The school district also may implement other
32.18 staff development activities required by law and activities associated with professional
32.19 teacher compensation models.

32.20 (b) Release time provided for teachers to supervise students on field trips and school
32.21 activities, or independent tasks not associated with enhancing the teacher's knowledge
32.22 and instructional skills, such as preparing report cards, calculating grades, or organizing
32.23 classroom materials, may not be counted as staff development time that is financed with
32.24 staff development reserved revenue under section 122A.61.

32.25 Subd. 2. **Contents of the plan.** The plan must be based on student achievement and
32.26 include student learning goals, the staff development outcomes under subdivision 3, the
32.27 means to achieve the outcomes, and procedures for evaluating progress at each school
32.28 site toward meeting education outcomes.

32.29 Subd. 3. **Staff development outcomes.** The advisory staff development committee
32.30 must adopt a staff development plan for increasing teacher effectiveness and improving
32.31 student achievement. The plan must be consistent with education outcomes that the
32.32 school board determines. The plan must include ongoing staff development activities that
32.33 contribute toward continuous improvement in achievement of the following goals:

32.34 (1) improve student achievement of state and local education standards in all areas
32.35 of the curriculum by using research-based best practices methods;

(2) effectively meet the needs of a diverse student population, including at-risk children, English language learners, children with disabilities, and gifted children, within the regular classroom and other settings;

(3) provide an inclusive curriculum for a racially, ethnically, and culturally diverse student population that is consistent with the state education diversity rule and the district's education diversity plan;

(4) improve staff collaboration and develop mentoring and peer coaching programs for teachers new to the school or district or in their first five years of teaching;

(5) effectively teach and model violence prevention policy and curriculum that address early intervention alternatives, issues of harassment, and teach nonviolent alternatives for conflict resolution; and

(6) provide teachers and other members of site-based management teams with appropriate management and financial management skills.

Subd. 4. **Staff development report.** (a) By October ~~15~~ 1 of each year, the district and site staff development committees shall write and submit a report of staff development activities and expenditures for the previous year, in the form and manner determined by the commissioner. The report, signed by the district superintendent and staff development chair, must include assessment and evaluation data indicating progress toward district and site staff development goals based on teaching and learning outcomes, including the percentage of teachers and other staff involved in instruction who participate in effective staff development activities under subdivision 3.

(b) The report must break down expenditures for:

(1) curriculum development and curriculum training programs; and

(2) staff development training models, workshops, and conferences, and the cost of releasing teachers or providing substitute teachers for staff development purposes.

The report also must indicate whether the expenditures were incurred at the district level or the school site level, and whether the school site expenditures were made possible by grants to school sites that demonstrate exemplary use of allocated staff development revenue. These expenditures must be reported using the uniform financial and accounting and reporting standards.

(c) The commissioner shall report the staff development progress and expenditure data to the house of representatives and senate committees having jurisdiction over education by February 15 each year.

Sec. 21. Minnesota Statutes 2006, section 122A.61, subdivision 1, is amended to read:

Subdivision 1. **Staff development revenue.** A district is required to reserve an amount equal to at least two percent of the basic revenue under section 126C.10, subdivision 2, for ~~in-service education for~~ programs under section 120B.22, subdivision 2, ~~for~~ with the primary purpose of creating and implementing district and school site staff development plans, including. Funds may also be used to support plans for challenging instructional activities and experiences under section 122A.60, and for curriculum development and programs, ~~other in-service education,~~ teachers' workshops, teacher conferences, the cost of substitute teachers staff development purposes, preservice and in-service education for special education professionals and paraprofessionals, and other related costs for staff development efforts. A district may annually waive the requirement to reserve their basic revenue under this section if a majority vote of the licensed teachers in the district and a majority vote of the school board agree to a resolution to waive the requirement. A district in statutory operating debt is exempt from reserving basic revenue according to this section. Districts may expend an additional amount of unreserved revenue for staff development based on their needs. With the exception of amounts reserved for staff development from revenues allocated directly to school sites, the board must initially allocate 50 percent of the reserved revenue to each school site in the district on a per teacher basis, which must be retained by the school site until used. The board may retain 25 percent to be used for district wide staff development efforts. The remaining 25 percent of the revenue must be used to make grants to school sites for best practices methods. A grant may be used for any purpose authorized under section 120B.22, subdivision 2, 122A.60, or for the costs of curriculum development and programs, ~~other in-service education,~~ teachers' workshops, teacher conferences, substitute teachers for staff development purposes, and other staff development efforts, and determined by the site professional development team. The site professional development team must demonstrate to the school board the extent to which staff at the site have met the outcomes of the program. The board may withhold a portion of initial allocation of revenue if the staff development outcomes are not being met.

Sec. 22. Minnesota Statutes 2006, section 122A.75, subdivision 1, is amended to read:

Subdivision 1. **Services.** An Administrators Academy is established. The academy shall provide at least the following services:

(1) an administrator assessment that results in an individual professional development plan;

(2) research and development assistance that provides current research and data of interest to administrators; ~~and~~

(3) brokerage assistance to provide services and resources to help administrators with needs identified in their individual professional development plan; and
(4) the opportunity for administrators to acquire competency in administering gifted and talented services, consistent with section 122A.14, subdivision 2c.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to administrators participating in an administrators academy program after August 1, 2009.

Sec. 23. Minnesota Statutes 2006, section 123B.03, subdivision 1, is amended to read:

Subdivision 1. **Background check required.** (a) A school hiring authority, as defined in subdivision 3, shall request a criminal history background check from the superintendent of the Bureau of Criminal Apprehension on all individuals who are offered employment in the school, as defined in subdivision 3. In order to be eligible for employment, an individual who is offered employment must provide an executed criminal history consent form and a money order or check payable to either the Bureau of Criminal Apprehension or the school hiring authority, at the election of the school hiring authority, in an amount equal to the actual cost to the Bureau of Criminal Apprehension and the school district of conducting the criminal history background check. A school hiring authority electing to receive payment may, at its discretion, accept payment in the form of a negotiable instrument other than a money order or check and shall pay the superintendent of the Bureau of Criminal Apprehension directly to conduct the background check. The superintendent of the Bureau of Criminal Apprehension shall conduct the background check by retrieving criminal history data maintained in the criminal justice information system computers. A school hiring authority, at its discretion, may elect not to request a criminal history background check on an individual who holds an initial entrance license issued by the State Board of Teaching or the commissioner of education within the 12 months preceding an offer of employment.

(b) A school hiring authority may use the results of a criminal background check conducted at the request of another school hiring authority if:

(1) the results of the criminal background check are on file with the other school hiring authority or otherwise accessible;

(2) the other school hiring authority conducted a criminal background check within the previous 12 months;

(3) the individual who is the subject of the criminal background check executes a written consent form giving a school hiring authority access to the results of the check; and

(4) there is no reason to believe that the individual has committed an act subsequent to the check that would disqualify the individual for employment.

(c) A school hiring authority may, at its discretion, request a criminal history background check from the superintendent of the Bureau of Criminal Apprehension on any individual who seeks to enter a school or its grounds for the purpose of serving as a school volunteer or working as an independent contractor or student employee. In order for an individual to enter a school or its grounds under this paragraph when the school hiring authority elects to request a criminal history background check on the individual, the individual first must provide an executed criminal history consent form and a money order, check, or other negotiable instrument payable to the school district in an amount equal to the actual cost to the Bureau of Criminal Apprehension and the school district of conducting the criminal history background check. Notwithstanding section 299C.62, subdivision 1, the cost of the criminal history background check under this paragraph is the responsibility of the individual.

(d) For all nonstate residents who are offered employment in a school, a school hiring authority shall request a criminal history background check on such individuals from the superintendent of the Bureau of Criminal Apprehension and from the government agency performing the same function in the resident state or, if no government entity performs the same function in the resident state, from the Federal Bureau of Investigation. Such individuals must provide an executed criminal history consent form and a money order, check, or other negotiable instrument payable to the school hiring authority in an amount equal to the actual cost to the government agencies and the school district of conducting the criminal history background check. Notwithstanding section 299C.62, subdivision 1, the cost of the criminal history background check under this paragraph is the responsibility of the individual.

(e) Consistent with the terms in paragraph (a), a school hiring authority, as defined in subdivision 3, shall request a criminal history background check from the superintendent of the Bureau of Criminal Apprehension on an individual who elects to provide athletic coaching services or other extracurricular or cocurricular services to a district, regardless of the terms of the service.

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

Sec. 24. Minnesota Statutes 2006, section 123B.03, is amended by adding a subdivision to read:

Subd. 1a. Investigation of disciplinary actions taken against prospective teachers. At the time a school hiring authority conducts the criminal history background

37.1 check required under subdivision 1 on an individual offered employment as a teacher, the
37.2 school hiring authority must contact the Board of Teaching to determine whether the
37.3 board has taken disciplinary action against the teacher based on a board determination
37.4 that inappropriate sexual conduct or attempted inappropriate sexual conduct occurred
37.5 between the teacher and a student. If disciplinary action has been taken based on this type
37.6 of conduct, the school hiring authority must obtain access to data that are public under
37.7 sections 13.41, subdivision 5, and 13.43, subdivision 2, that relate to the substance of the
37.8 disciplinary action. In addition, the school hiring authority must require the individual
37.9 to provide information in the employment application regarding all current and previous
37.10 disciplinary actions in Minnesota and other states taken against the individual's teaching
37.11 license as a result of inappropriate sexual conduct or attempted inappropriate sexual
37.12 conduct with a student and indicate to the applicant that intentionally submitting false or
37.13 incomplete information is a ground for dismissal.

37.14 **EFFECTIVE DATE.** This section is effective May 1, 2009.

37.15 Sec. 25. Minnesota Statutes 2006, section 123B.03, subdivision 2, is amended to read:

37.16 Subd. 2. **Conditional hiring; discharge.** A school hiring authority may hire
37.17 an individual pending completion of a background check under subdivision 1 or an
37.18 investigation of disciplinary actions under subdivision 1a but shall notify the individual
37.19 that the individual's employment may be terminated based on the result of the background
37.20 check or investigation. A school hiring authority is not liable for failing to hire or for
37.21 terminating an individual's employment based on the result of a background check or
37.22 investigation under this section.

37.23 **EFFECTIVE DATE.** This section is effective May 1, 2009.

37.24 Sec. 26. Minnesota Statutes 2007 Supplement, section 123B.143, subdivision 1,
37.25 is amended to read:

37.26 Subdivision 1. **Contract; duties.** All districts maintaining a classified secondary
37.27 school must employ a superintendent who shall be an ex officio nonvoting member of the
37.28 school board. The authority for selection and employment of a superintendent must be
37.29 vested in the board in all cases. An individual employed by a board as a superintendent
37.30 shall have an initial employment contract for a period of time no longer than three years
37.31 from the date of employment. Any subsequent employment contract must not exceed a
37.32 period of three years. A board, at its discretion, may or may not renew an employment
37.33 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. 27. Minnesota Statutes 2006, section 123B.51, is amended by adding a subdivision to read:

39.1 Subd. 5a. **Temporary closing.** A school district that proposes to temporarily close a
39.2 schoolhouse or that intends to lease the facility to another entity for use as a schoolhouse
39.3 for three or fewer years is not subject to subdivision 5 if the school board holds a public
39.4 meeting and allows public comment on the schoolhouse's future.

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

39.6 Sec. 28. Minnesota Statutes 2007 Supplement, section 124D.095, subdivision 4,
39.7 is amended to read:

39.8 Subd. 4. **Online learning parameters.** (a) An online learning student must receive
39.9 academic credit for completing the requirements of an online learning course or program.
39.10 Secondary credits granted to an online learning student must be counted toward the
39.11 graduation and credit requirements of the enrolling district. An online learning provider
39.12 must make available to the enrolling district the course syllabus, standard alignment,
39.13 content outline, assessment requirements, and contact information for supplemental online
39.14 courses taken by students in the enrolling district. The enrolling district must apply the
39.15 same graduation requirements to all students, including online learning students, and
39.16 must continue to provide nonacademic services to online learning students. If a student
39.17 completes an online learning course or program that meets or exceeds a graduation
39.18 standard or grade progression requirement at the enrolling district, that standard or
39.19 requirement is met. The enrolling district must use the same criteria for accepting online
39.20 learning credits or courses as it does for accepting credits or courses for transfer students
39.21 under section 124D.03, subdivision 9. The enrolling district may reduce the course
39.22 schedule of an online learning student in proportion to the number of online learning
39.23 courses the student takes from an online learning provider that is not the enrolling district.

39.24 (b) An online learning student may:

39.25 (1) enroll in supplemental online learning courses during a single school year to a
39.26 maximum of 50 percent of the student's full schedule of courses per term. A student may
39.27 exceed the supplemental online learning registration limit if the enrolling district grants
39.28 permission for supplemental online learning enrollment above the limit, or if an agreement
39.29 is made between the enrolling district and the online learning provider for instructional
39.30 services;

39.31 (2) complete course work at a grade level that is different from the student's current
39.32 grade level; and

39.33 (3) enroll in additional courses with the online learning provider under a separate
39.34 agreement that includes terms for payment of any tuition or course fees.

(c) An online learning student has the same access to the computer hardware and education software available in a school as all other students in the enrolling district. An online learning provider must assist an online learning student whose family qualifies for the education tax credit under section 290.0674 to acquire computer hardware and educational software for online learning purposes.

(d) An enrolling district may offer online learning to its enrolled students. Such online learning does not generate online learning funds under this section. Notwithstanding paragraph (e), an enrolling district that offers online learning only to its enrolled students is not subject to the reporting requirements or review criteria under subdivision 7, unless the enrolling district is a full-time online provider. A teacher with a Minnesota license must assemble and deliver instruction to enrolled students receiving online learning from an enrolling district. The delivery of instruction occurs when the student interacts with the computer or the teacher and receives ongoing assistance and assessment of learning. The instruction may include curriculum developed by persons other than a teacher with a Minnesota license.

~~(e) An online learning provider that is not the enrolling district~~ is subject to the reporting requirements and review criteria under subdivision 7. A teacher with a Minnesota license must assemble and deliver instruction to online learning students. The delivery of instruction occurs when the student interacts with the computer or the teacher and receives ongoing assistance and assessment of learning. The instruction may include curriculum developed by persons other than a teacher with a Minnesota license. Unless the commissioner grants a waiver, a teacher providing online learning instruction must not instruct more than 40 students in any one online learning course or program.

(f) To enroll in more than 50 percent of the student's full schedule of courses per term in online learning, the student must qualify to exceed the supplemental online learning registration limit under paragraph (b) or apply for enrollment to an approved full-time online learning program following appropriate procedures in subdivision 3, paragraph (a). Full-time online learning students may enroll in classes at a local school per contract for instructional services between the online learning provider and the school district.

Sec. 29. Minnesota Statutes 2006, section 124D.10, subdivision 2a, is amended to read:

Subd. 2a. Charter School Advisory Council. (a) A Charter School Advisory Council is established under section 15.059 except that the term for each council member shall be three years. The advisory council is composed of seven members from throughout the state who have demonstrated experience with or interest in charter schools. The members of the council shall be appointed by the commissioner. The advisory council

41.1 shall bring to the attention of the commissioner any matters related to charter schools
41.2 that the council deems necessary and shall:

41.3 (1) encourage school boards to make full use of charter school opportunities;

41.4 (2) encourage the creation of innovative schools;

41.5 (3) provide leadership and support for charter school sponsors to increase the
41.6 innovation in and the effectiveness, accountability, and fiscal soundness of charter schools;

41.7 (4) serve an ombudsman function in facilitating the operations of new and existing
41.8 charter schools;

41.9 (5) promote timely financial management training for newly elected members of
41.10 a charter school board of directors and ongoing training for other members of a charter
41.11 school board of directors; and

41.12 (6) facilitate compliance with auditing and other reporting requirements. The
41.13 advisory council shall refer all its proposals to the commissioner who shall provide time
41.14 for reports from the council.

41.15 (b) The Charter School Advisory Council under this subdivision ~~expires June 30,~~
41.16 2007 does not expire and the expiration date provided in section 15.059, subdivision
41.17 5, does not apply to this section.

41.18 **EFFECTIVE DATE.** This section is effective retroactively from June 30, 2007.

41.19 Sec. 30. Minnesota Statutes 2007 Supplement, section 124D.10, subdivision 4, is
41.20 amended to read:

41.21 Subd. 4. **Formation of school.** (a) A sponsor may authorize one or more licensed
41.22 teachers under section 122A.18, subdivision 1, to operate a charter school subject to
41.23 approval by the commissioner. A board must vote on charter school application for
41.24 sponsorship no later than 90 days after receiving the application. The school must be
41.25 organized and operated as a cooperative under chapter 308A or nonprofit corporation
41.26 under chapter 317A and the provisions under the applicable chapter shall apply to the
41.27 school except as provided in this section. Notwithstanding sections 465.717 and 465.719,
41.28 a school district may create a corporation for the purpose of creating a charter school.

41.29 (b) Before the operators may form and operate a school, the sponsor must file an
41.30 affidavit with the commissioner stating its intent to authorize a charter school. The
41.31 affidavit must demonstrate the sponsor's ability to fulfill the responsibilities of a sponsor
41.32 and state the terms and conditions under which the sponsor would authorize a charter
41.33 school and how the sponsor intends to oversee the fiscal and student performance of the
41.34 charter school and to comply with the terms of the written contract between the sponsor
41.35 and the charter school board of directors under subdivision 6 in the form and manner

prescribed by the commissioner. The sponsor must submit an affidavit to the commissioner for each charter school it proposes to authorize. The commissioner must approve or disapprove the sponsor's proposed authorization within 90 days of receipt of the affidavit. Failure to obtain commissioner approval precludes a sponsor from authorizing the charter school that was the subject of the affidavit.

(c) The operators authorized to organize and operate a school, before entering into a contract or other agreement for professional or other services, goods, or facilities, must incorporate as a cooperative under chapter 308A or as a nonprofit corporation under chapter 317A and must establish a board of directors composed of at least five nonrelated members until a timely election for members of the charter school board of directors is held according to the school's articles and bylaws. A charter school board of directors must be composed of at least five members. Any staff members who are employed at the school, including teachers providing instruction under a contract with a cooperative, and all parents of children enrolled in the school ~~may~~ are eligible to participate in the election for members of the school's board of directors. Licensed teachers employed at the school, including teachers providing instruction under a contract with a cooperative, must be a majority of the members of the board of directors before the school completes its third year of operation, unless the commissioner waives the requirement for a majority of licensed teachers on the board. Board of director meetings must comply with chapter 13D.

(d) The granting or renewal of a charter by a sponsoring entity must not be conditioned upon the bargaining unit status of the employees of the school.

(e) The granting or renewal of a charter school by a sponsor must not be contingent on the charter school being required to contract, lease, or purchase services from the sponsor. A sponsor is prohibited from entering into a contract to provide management or financial services for a school that it is authorized to sponsor.

~~(e)~~ (f) A sponsor may authorize the operators of a charter school to expand the operation of the charter school to additional sites or to add additional grades at the school beyond those described in the sponsor's application as approved by the commissioner only after submitting a supplemental application to the commissioner in a form and manner prescribed by the commissioner. The supplemental application must provide evidence that:

- (1) the expansion of the charter school is supported by need and projected enrollment;
- (2) the charter school is fiscally sound;
- (3) the sponsor supports the expansion; and
- (4) the building of the additional site meets all health and safety requirements to be eligible for lease aid.

43.1 ~~(f)~~ (g) The commissioner annually must provide timely financial management
43.2 training to newly elected members of a charter school board of directors and ongoing
43.3 training to other members of a charter school board of directors. Training must address
43.4 ways to:

43.5 (1) proactively assess opportunities for a charter school to maximize all available
43.6 revenue sources;

43.7 (2) establish and maintain complete, auditable records for the charter school;

43.8 (3) establish proper filing techniques;

43.9 (4) document formal actions of the charter school, including meetings of the charter
43.10 school board of directors;

43.11 (5) properly manage and retain charter school and student records;

43.12 (6) comply with state and federal payroll record-keeping requirements; and

43.13 (7) address other similar factors that facilitate establishing and maintaining complete
43.14 records on the charter school's operations.

43.15 Sec. 31. Minnesota Statutes 2006, section 124D.10, subdivision 4a, is amended to read:

43.16 Subd. 4a. **Conflict of interest.** (a) A member of a charter school board of directors
43.17 is prohibited from serving as a member of the board of directors or as an employee or agent
43.18 of or a contractor with a for-profit entity with whom the charter school contracts, directly
43.19 or indirectly, for professional services, goods, or facilities. A violation of this prohibition
43.20 renders a contract voidable at the option of the commissioner. The commissioner may
43.21 reduce a charter school's state aid under section 127A.42 if the charter school board fails
43.22 to correct a violation under this subdivision in a timely manner. A member of a charter
43.23 school board of directors who violates this prohibition shall be individually liable to the
43.24 charter school for any damage caused by the violation.

43.25 (b) An individual may serve as a member of the board of directors if no conflict of
43.26 interest under paragraph (a) exists.

43.27 (c) A member of a charter school board of directors that serves as a member of the
43.28 board of directors or as an employee or agent of or a contractor with a nonprofit entity
43.29 with whom the charter school contracts, directly or indirectly, for professional services,
43.30 goods, or facilities, must disclose all potential conflicts to the commissioner. A violation
43.31 of this requirement makes a contract voidable at the option of the commissioner. The
43.32 commissioner may reduce a charter school's aid under section 127A.42 if the charter
43.33 school fails to correct a violation under this subdivision in a timely manner.

(d) The conflict of interest provisions under this subdivision do not apply to compensation paid to a teacher employed by the charter school who also serves as a member of the board of directors.

(e) The conflict of interest provisions under this subdivision do not apply to a teacher who provides services to a charter school through a cooperative formed under chapter 308A when the teacher also serves on the charter school board of directors.

Sec. 32. Minnesota Statutes 2006, section 124D.10, subdivision 6, is amended to read:

Subd. 6. **Contract.** The sponsor's authorization for a charter school must be in the form of a written contract signed by the sponsor and the board of directors of the charter school. The contract must be completed within 90 days of the commissioner's approval of the sponsor's proposed authorization. The contract for a charter school must be in writing and contain at least the following:

(1) a description of a program that carries out one or more of the purposes in subdivision 1;

(2) specific outcomes pupils are to achieve under subdivision 10;

(3) admission policies and procedures;

(4) management and administration of the school;

(5) requirements and procedures for program and financial audits;

(6) how the school will comply with subdivisions 8, 13, 16, and 23;

(7) assumption of liability by the charter school;

(8) types and amounts of insurance coverage to be obtained by the charter school;

(9) the term of the contract, which may be up to three years;

(10) ~~if~~ how the board of directors or the operators of the charter school will provide special instruction and services for children with a disability under sections 125A.03 to 125A.24, and 125A.65, a description of the financial parameters within which the charter school will operate to provide the special instruction and services to children with a disability; and

(11) the process and criteria the sponsor intends to use to monitor and evaluate the fiscal and student performance of the charter school, consistent with subdivision 15.

Sec. 33. Minnesota Statutes 2006, section 124D.10, subdivision 6a, is amended to read:

Subd. 6a. **Audit report.** (a) The charter school must submit an audit report to the commissioner by December 31 each year.

(b) The charter school, with the assistance of the auditor conducting the audit, must include with the report a copy of all charter school agreements for corporate management

services. If the entity that provides the professional services to the charter school is exempt from taxation under section 501 of the Internal Revenue Code of 1986, that entity must file with the commissioner by February 15 a copy of the annual return required under section 6033 of the Internal Revenue Code of 1986.

(c) If the commissioner receives as part of the an audit report ~~a management letter~~ indicating that a material weakness exists in the financial reporting systems of a charter school, the charter school must submit a written report to the commissioner explaining how the material weakness will be resolved.

(d) Upon the request of an individual, the charter school must make available in a timely fashion the minutes of meetings of members, the board of directors, and committees having any of the authority of the board of directors, and statements showing the financial result of all operations and transactions affecting income and surplus during the school's last annual accounting period and a balance sheet containing a summary of its assets and liabilities as of the closing date of the accounting period.

Sec. 34. Minnesota Statutes 2006, section 124D.10, subdivision 7, is amended to read:

Subd. 7. **Public status; exemption from statutes and rules.** A charter school is a public school and is part of the state's system of public education. ~~Except as provided in this section, a charter school is exempt from all statutes and rules applicable to a school, a board, or a district, although it may elect to comply with one or more provisions of statutes or rules.~~ A charter school is exempt from all statutes and rules applicable to a school, school board, or school district unless a statute or rule is made specifically applicable to a charter school.

Sec. 35. Minnesota Statutes 2006, section 124D.10, subdivision 8, is amended to read:

Subd. 8. **State and local requirements.** (a) A charter school shall meet all ~~applicable federal, state, and local health and safety requirements~~ applicable to school districts.

(b) A school sponsored by a school board may be located in any district, unless the school board of the district of the proposed location disapproves by written resolution.

(c) A charter school must be nonsectarian in its programs, admission policies, employment practices, and all other operations. A sponsor may not authorize a charter school or program that is affiliated with a nonpublic sectarian school or a religious institution.

(d) Charter schools must not be used as a method of providing education or generating revenue for students who are being home-schooled.

(e) The primary focus of a charter school must be to provide a comprehensive program of instruction for at least one grade or age group from five through 18 years of age. Instruction may be provided to people younger than five years and older than 18 years of age.

(f) A charter school may not charge tuition.

(g) A charter school is subject to and must comply with chapter 363A and section 121A.04.

(h) A charter school is subject to and must comply with the Pupil Fair Dismissal Act, sections 121A.40 to 121A.56, and the Minnesota Public School Fee Law, sections 123B.34 to 123B.39.

(i) A charter school is subject to the same financial audits, audit procedures, and audit requirements as a district. Audits must be conducted in compliance with generally accepted governmental auditing standards, the Federal Single Audit Act, if applicable, and section 6.65. A charter school is subject to and must comply with sections 15.054; 118A.01; 118A.02; 118A.03; 118A.04; 118A.05; 118A.06; 123B.52, subdivision 5; 471.38; 471.391; 471.392; 471.425; 471.87; 471.88, subdivisions 1, 2, 3, 4, 5, 6, 12, 13, and 15; 471.881; and 471.89. The audit must comply with the requirements of sections 123B.75 to 123B.83, except to the extent deviations are necessary because of the program at the school. Deviations must be approved by the commissioner. The Department of Education, state auditor, or legislative auditor may conduct financial, program, or compliance audits. A charter school determined to be in statutory operating debt under sections 123B.81 to 123B.83 must submit a plan under section 123B.81, subdivision 4.

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

(k) A charter school must comply with sections 13.32; 120A.22, subdivision 7; 121A.75; and 260B.171, subdivisions 3 and 5.

(l) A charter school is subject to the Pledge of Allegiance requirement under section 121A.11, subdivision 3.

Sec. 36. Minnesota Statutes 2006, section 124D.10, subdivision 23, is amended to read:

Subd. 23. Causes for nonrenewal or termination of charter school contract.

(a) The duration of the contract with a sponsor must be for the term contained in the contract according to subdivision 6. The sponsor may or may not renew a contract at the end of the term for any ground listed in paragraph (b). A sponsor may unilaterally terminate a contract during the term of the contract for any ground listed in paragraph (b). At least 60 days before not renewing or terminating a contract, the sponsor shall notify the board of directors of the charter school of the proposed action in writing by registered

47.1 mail. The notice shall state the grounds for the proposed action in reasonable detail and
47.2 that the charter school's board of directors may request in writing an informal hearing
47.3 before the sponsor within 14 days of receiving notice of nonrenewal or termination of
47.4 the contract. Failure by the board of directors to make a written request for a hearing
47.5 within the 14-day period shall be treated as acquiescence to the proposed action. Upon
47.6 receiving a timely written request for a hearing, the sponsor shall give reasonable notice
47.7 to the charter school's board of directors of the hearing date. The sponsor shall conduct
47.8 an informal hearing before taking final action. The sponsor shall take final action to
47.9 renew or not renew a contract ~~by the last day of classes in the school year~~ no later than 15
47.10 days before the date the sponsor terminates the contract or the end date specified in the
47.11 contract. If the sponsor is a local board, the school's board of directors may appeal the
47.12 sponsor's decision to the commissioner.

47.13 (b) A contract may be terminated or not renewed upon any of the following grounds:
47.14 (1) failure to meet the requirements for pupil performance contained in the contract;
47.15 (2) failure to meet generally accepted standards of fiscal management;
47.16 (3) violations of law; or
47.17 (4) other good cause shown.

47.18 If a contract is terminated or not renewed under this paragraph, the school must be
47.19 dissolved according to the applicable provisions of chapter 308A or 317A, except when
47.20 the commissioner approves the decision of a different eligible sponsor to authorize the
47.21 charter school.

47.22 (c) If at the end of a contract term, ~~either the sponsor or~~ and the charter school
47.23 board of directors wants mutually agree to voluntarily terminate the contract, a change
47.24 in sponsors is allowed if the commissioner approves the decision of a different eligible
47.25 sponsor to authorize the charter school. ~~The party intending to terminate the contract must~~
47.26 ~~notify the other party and the commissioner of its intent at least 90 days before the date~~
47.27 ~~on which the contract ends.~~ Both parties jointly must submit to the commissioner their
47.28 written intent to terminate the contract. The commissioner must determine whether the
47.29 charter school and the prospective new sponsor can clearly identify and effectively resolve
47.30 those circumstances causing the previous sponsor and the charter school to terminate the
47.31 contract before the commissioner determines whether to grant the change of sponsor. The
47.32 sponsor that is a party to the existing contract at least must inform the approved different
47.33 eligible sponsor about the fiscal and student performance of the school. If no different
47.34 eligible sponsor is approved, the school must be dissolved according to applicable law and
47.35 the terms of the contract.

(d) The commissioner, after providing reasonable notice to the board of directors of a charter school and the existing sponsor, and after providing an opportunity for a public hearing, may terminate the existing sponsorial relationship if the charter school has a history of:

(1) sustained failure to meet the requirements for pupil performance contained in the contract;

~~(1)~~ (2) financial mismanagement; or

~~(2)~~ (3) repeated violations of the law; or

(4) other good cause shown.

Sec. 37. Minnesota Statutes 2007 Supplement, section 124D.10, subdivision 23a, is amended to read:

Subd. 23a. **Related party lease costs.** (a) A charter school is prohibited from entering a lease of real property with a related party as defined in ~~subdivision 26~~ this subdivision, unless the lessor is a nonprofit corporation under chapter 317A or a cooperative under chapter 308A, and the lease cost is reasonable under section 124D.11, subdivision 4, clause (1).

(b) For purposes of this subdivision:

(1) "related party" means an affiliate or close relative of the other party in question, an affiliate of a close relative, or a close relative of an affiliate;

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

(3) "close relative" means an individual whose relationship by blood, marriage, or adoption to another individual is no more remote than first cousin;

(4) "person" means an individual or entity of any kind; and

(5) "control" means the ability to affect the management, operations, or policies of a person, whether through ownership of voting securities, by contract, or otherwise.

~~(b)~~ (c) A lease of real property to be used for a charter school, not excluded in paragraph (a), must contain the following statement: "This lease is subject to Minnesota Statutes, section 124D.10, subdivision 23a."

~~(c)~~ (d) If a charter school enters into as lessee a lease with a related party and the charter school subsequently closes, the commissioner has the right to recover from the lessor any lease payments in excess of those that are reasonable under section 124D.11, subdivision 4, clause (1).

Sec. 38. [124D.805] COMMITTEE ON AMERICAN INDIAN EDUCATION PROGRAMS.

Subdivision 1. Establishment. The commissioner of education shall establish an American Indian education committee. Members appointed by the commissioner must include representatives of tribal bodies, community groups, parents of children eligible to be served by the programs, American Indian administrators and teachers, persons experienced in the training of teachers for American Indian education programs, persons involved in programs for American Indian children in American Indian schools, and persons knowledgeable in the field of American Indian education. Appointed members shall be representative of significant segments of the population of American Indians.

Subd. 2. Committee to advise commissioner. The committee on American Indian education programs shall advise the commissioner in the administration of the commissioner's duties under sections 124D.71 to 124D.82 and other programs for the education of American Indian people as determined by the commissioner.

Subd. 3. Expenses. Members serve without compensation. The commissioner must determine the membership terms and the duration of the committee, which expire no later than June 30, 2020.

Sec. 39. Minnesota Statutes 2006, section 124D.86, subdivision 1, is amended to read:

Subdivision 1. Use of revenue. (a) Integration revenue under this section must be used for programs established under a desegregation plan filed with the Department of Education according to Minnesota Rules, parts 3535.0100 to 3535.0180, or under court order. The revenue must be used to create or enhance learning opportunities which are designed to provide opportunities for students to have increased interracial contacts through classroom experiences, staff initiatives, and other educationally related programs.

(b) A school district, as a condition of receiving revenue each year under this section, must have:

(1) published specific desegregation or integration goals;

(2) identified valid and reliable indicators to measure annual progress toward achieving district goals; and

(3) using its identified indicators, demonstrated to the commissioner the amount of progress in achieving the district goals in the preceding school year.

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

Sec. 40. [125B.015] STATE AND SCHOOL DISTRICT TECHNOLOGY STANDARDS.

Subdivision 1. State technology standards; standard setting. (a) Notwithstanding other law to the contrary, the commissioner, the Minnesota Education Technology Task Force, and representatives of school districts must work together to identify for school districts the robust technology tools and systems that improve the educational achievement of all Minnesota students. These entities must establish a foundation of flexible shared services that supports state development and implementation of new and more efficient educational business practices, including the use of modern analytical tools that help schools and school districts make data-driven decisions and increase instructional time. These entities also must anticipate the needs of school districts for effectively using emerging technologies to make the best and most cost-effective use of finite educational resources.

(b) The commissioner, the Minnesota Education Technology Task Force, representatives of school districts, and other interested and affected stakeholders, must establish and then maintain, revise, and publish every four years beginning December 1, 2008, state and district technology standards and accompanying guidelines consistent with the requirements of this section and section 120B.023, subdivision 2, paragraph (a). The state and school districts must use the technology standards to participate in a uniform data collection system premised on:

(1) common data definitions for all required data elements;

(2) a common course catalogue;

(3) common transcript definitions; and

(4) school district infrastructure technology standards.

(c) School districts, consistent with this section and other applicable law, may use financial resources in addition to state funding to provide students with the technology tools they need to succeed in an increasingly complex and information-rich environment.

Subd. 2. District technology standards. (a) The commissioner, in collaboration with the Minnesota Education Technology Task Force, must establish and then maintain, revise, and publish six categories of district technology standards consistent with this section. The district technology standards must encompass:

(1) instructional technology that includes best practices in 21st century classroom instruction and student learning;

(2) technological tools that support formative and summative online assessments, equipment, and software;

(3) shared services that facilitate network and data systems administration;

51.1 (4) data practices that include technical security, Internet safety, and data privacy;

51.2 (5) data management that facilitates efficient data transfers involving school districts
51.3 and the department; and

51.4 (6) facilities infrastructure that supports multipurpose technology facilities for
51.5 instruction and assessment.

51.6 (b) School districts must align district technology expenditures with state and district
51.7 technology standards established under this section.

51.8 (c) Beginning December 1, 2010, and each two-year period thereafter, school
51.9 districts must use the district technology standards in this section to complete a review of
51.10 the district technology environment that:

51.11 (1) examines the alignment of district technology expenditures to the technology
51.12 standards under this section;

51.13 (2) identifies service gaps in the district technology plan; and

51.14 (3) estimates the funding needed to fill service gaps.

51.15 (d) School districts must transmit the substance of the review to the commissioner in
51.16 the form and manner the commissioner determines in collaboration with the Minnesota
51.17 Education Technology Task Force. The commissioner must evaluate and report the
51.18 substance of the reviews to the legislature by February 15, 2011, and each two-year period
51.19 thereafter.

51.20 Subd. 3. **Expedited process.** The commissioner must use the expedited rulemaking
51.21 process under section 14.389 to adopt state and district technology standards consistent
51.22 with this section.

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

51.25 Sec. 41. Minnesota Statutes 2006, section 471.88, is amended by adding a subdivision
51.26 to read:

51.27 Subd. 21. **Contract with no bids required.** Notwithstanding subdivision 1, a local
51.28 school board may contract with a class of school district employees such as teachers
51.29 or custodians where the spouse of a school board member is a member of the class
51.30 of employees contracting with the school board and the employee spouse receives no
51.31 special monetary or other benefit that is substantially different from the benefits that
51.32 other members of the class receive under the employment contract. A school board
51.33 invoking this exception must have a majority of disinterested school board members vote
51.34 to approve the contract, direct the school board member spouse to abstain from voting to

52.1 approve the contract, and publicly set out the essential facts of the contract at the meeting
52.2 where the contract is approved.

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

52.4 Sec. 42. **IMPLEMENTING A STUDENT GROWTH-BASED VALUE-ADDED**
52.5 **SYSTEM.**

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

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

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

52.23 Sec. 43. **IMPLEMENTING RIGOROUS COURSEWORK MEASURES**
52.24 **RELATED TO STUDENT PERFORMANCE.**

52.25 To implement the requirements of Minnesota Statutes, section 120B.35, subdivision
52.26 3, paragraph (c), clauses (1) and (2), and to help parents and members of the public
52.27 compare the reported data, the commissioner of education must convene a group of
52.28 recognized and qualified experts and interested stakeholders, including parents among
52.29 other stakeholders, to develop a model projecting anticipated performance of each high
52.30 school on preparation and rigorous coursework measures that compares the school with
52.31 similar schools. The model must use information about entering high school students
52.32 based on particular background characteristics that are predictive of differing rates of
52.33 college readiness. These characteristics include grade 8 achievement levels, high school

53.1 student mobility, high school student attendance, and the size of each entering ninth grade
53.2 class. The group of experts and stakeholders may examine other characteristics not part
53.3 of the prediction model including the nine student categories identified under the federal
53.4 2001 No Child Left Behind Act, and two student gender categories of male and female,
53.5 respectively. The commissioner annually must use the predicted level of entering students'
53.6 performance to provide a context for interpreting graduating students' actual performance.
53.7 The group convened under this section expires June 30, 2011.

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

53.10 Sec. 44. **IMPLEMENTING MEASURES FOR ASSESSING STUDENTS'**
53.11 **SELF-REPORTED SENSE OF SCHOOL SAFETY, ENGAGEMENT IN**
53.12 **SCHOOL, AND THE QUALITY OF RELATIONSHIPS WITH TEACHERS,**
53.13 **ADMINISTRATORS, AND OTHER STUDENTS.**

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

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

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

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

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

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

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

Sec. 45. **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. 46. **SCHOOL DISTRICT PLANS TO IMPROVE STUDENTS' ACADEMIC ACHIEVEMENT.**

Subdivision 1. **District academic achievement plan; priorities.** (a) A school district experiencing disparities in academic achievement is encouraged to develop a short and long-term plan encompassing one through four years to significantly improve students' academic achievement that uses concrete measures to eliminate differences in academic performance among groups of students defined by race, ethnicity, and income. The plan must:

(1) reflect a research-based understanding of high-performing educational systems and best educational practices;

(2) include innovative and practical strategies and programs, whether existing or new, that supplement district initiatives to increase students' academic achievement under state and federal educational accountability requirements; and

(3) contain valid and reliable measures of student achievement that the district uses to demonstrate the efficacy of the district plan to the commissioner of education.

(b) A district must address the elements under section 47, paragraph (a), to the extent those elements are implicated in the district's plan.

(c) A district must identify in its plan the strategies and programs the district has implemented and found effective in improving students' academic achievement.

(d) The district must include with the plan the amount of expenditures necessary to implement the plan. The district must indicate how current resources are used to implement the plan, including, but not limited to, state-limited English proficiency aid under Minnesota Statutes, section 124D.65; integration revenue under Minnesota Statutes, section 124D.86; early childhood family education revenue under Minnesota Statutes, section 124D.135; school readiness aid under Minnesota Statutes, section 124D.16; basic skills revenue under Minnesota Statutes, section 126C.10, subdivision 4; extended time revenue under Minnesota Statutes, section 126C.10, subdivision 2a; and alternative compensation revenue under Minnesota Statutes, section 122A.415.

Subd. 2. Plan. (a) A school district by October 1, 2008, must submit its plan in electronic format to the commissioner of education, consistent with subdivision 1.

(b) The commissioner of education must analyze the commonalities and differences of the district plans and the effective strategies and programs districts have implemented to improve students' academic achievement, and submit the analysis and underlying data to the advisory task force on improving students' academic achievement under section 47 by November 1, 2008, and also report the substance of the analyses to the education policy and finance committees of the legislature by January 1, 2009.

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

Sec. 47. ADVISORY TASK FORCE ON IMPROVING STUDENTS' ACADEMIC ACHIEVEMENT.

(a) An advisory task force on improving students' academic achievement is established to review the plans submitted to the commissioner of education under section 46 and recommend to the education committees of the legislature a proposal for improving students' academic achievement and eliminating differences in academic performance among groups of students defined by race, ethnicity, and income. The task force members must at least consider how the following education-related issues impact the educational achievement of low-income students and students of color:

(1) rigorous preparation and coursework and how to (i) effectively invest in early childhood and parent education, (ii) increase academic rigor and high expectations on elementary and secondary students in schools serving a majority of low-income students and students of color, and (iii) provide parents, educators, and community members with meaningful opportunities to collaborate in educating students in schools serving a majority of low-income students and students of color;

(2) professional development for educators and how to (i) provide stronger financial and professional incentives to attract and retain experienced, bilingual, and culturally

56.1 competent teachers and administrators in schools serving a majority of low-income
56.2 students and students of color, (ii) recruit and retain teachers of color, and (iii) develop and
56.3 include cultural sensitivity and interpersonal and pedagogical skills training that teachers
56.4 need for effective intercultural teaching;

56.5 (3) English language learners and how to (i) use well-designed tests, curricula,
56.6 and English as a second language programs and services as diagnostic tools to develop
56.7 effective student interventions, (ii) monitor students' language capabilities, (iii) provide
56.8 academic instruction in English that supports students' learning and is appropriate
56.9 for students' level of language proficiency, and (iv) incorporate the perspectives and
56.10 contributions of ethnic and racial groups, consistent with Minnesota Statutes, section
56.11 120B.022, subdivision 1, paragraph (b);

56.12 (4) special education and how to (i) incorporate linguistic and cultural sensitivity
56.13 into special education diagnosis and referral, (ii) increase the frequency and quality of
56.14 prereferral interventions, and (iii) decrease the number of minority and nonnative English
56.15 speaking students inappropriately placed in special education;

56.16 (5) GRAD tests and how to (i) incorporate linguistic and cultural sensitivity into the
56.17 reading and math GRAD tests, and (ii) develop interventions to meet students' learning
56.18 needs; and

56.19 (6) valid and reliable data and how to use data on student on-time graduation rates,
56.20 student dropout rates, documented disciplinary actions, and completed and rigorous course
56.21 work indicators to determine how well-prepared low-income students and students of
56.22 color are for postsecondary academic and career opportunities.

56.23 The task force also must examine the findings of a 2008 report by Minnesota
56.24 superintendents on strategies for creating a world-class educational system to establish
56.25 priorities for improving students' academic achievement. The task force may consider
56.26 other related matters at its discretion.

56.27 (b) The commissioner of education must convene the first meeting of the advisory
56.28 task force on improving students' academic achievement by July 1, 2008. The task force
56.29 members must adopt internal procedures and standards for subsequent meetings. The task
56.30 force is composed of the following members:

56.31 (1) a representative from a Twin Cities metropolitan area school district, a suburban
56.32 school district, a school district located in a regional center, and a rural school district, all
56.33 four representatives appointed by the state demographer based on identified concentrations
56.34 of low-performing, low-income students and students of color;

(2) a faculty member of a teacher preparation program at the University of Minnesota's College of Education and Human Development, appointed by the college dean or the dean's designee;

(3) a faculty member from the urban teachers program at Metropolitan State University appointed by the university president or the president's designee;

(4) a faculty member from a Minnesota State Colleges and Universities teacher preparation program located outside the Twin Cities metropolitan area, appointed by the chancellor or the chancellor's designee;

(5) a classroom teacher appointed by Education Minnesota;

(6) an expert in early childhood care and education appointed by a state early childhood organization;

(7) a member from each state council representing a community of color, appointed by the respective council;

(8) a curriculum specialist with expertise in providing language instruction for nonnative English speakers, appointed by a state curriculum organization;

(9) a special education teacher, appointed by a state organization of special education educators;

(10) a parent of color, appointed by a state parent-teacher organization;

(11) a district testing director appointed by a recognized Minnesota assessment group composed of assessment and evaluation directors and staff and researchers; and

(12) a Department of Education staff person with expertise in school desegregation matters appointed by the commissioner of education or the commissioner's designee.

A majority of task force members, at their discretion, may invite other representatives of interested public or nonpublic organizations, Minnesota's communities of color, and stakeholders in local and state educational equity to become task force members. A majority of task force members must be persons of color.

(c) Members of the task force serve without compensation. By February 15, 2009, the task force must submit a written proposal to the education policy and finance committees of the legislature on how to significantly improve students' academic achievement.

(d) The advisory task force expires on February 16, 2009.

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

Sec. 48. ADVISORY TASK FORCE; INTEGRATING SECONDARY AND POSTSECONDARY ACADEMIC AND CAREER EDUCATION.

(a) An advisory task force on improving teacher quality and identifying institutional structures and strategies for effectively integrating secondary and postsecondary academic and career education is established to consider and recommend to the education policy and finance committees of the legislature proposals on how to:

(1) foster classroom teachers' interest and ability to acquire a master's degree in the teachers' substantive fields of licensure; and

(2) meet all elementary and secondary students' needs for adequate education planning and preparation and improve all students' ability to acquire the knowledge and skills needed for postsecondary academic and career education.

(b) The commissioner of education, or the commissioner's designee, shall appoint an advisory task force that is composed of a representative from each of the following entities: Education Minnesota, the University of Minnesota, the Department of Education, the Board of Teaching, the Minnesota Private College Council, the Office of Higher Education, the Minnesota Career College Association, the Minnesota PTA, the Minnesota Chamber of Commerce, the Minnesota Business Partnership, the Department of Employment and Economic Development, the Minnesota Association of Career and Technical Administrators, the Minnesota Association of Career and Technical Educators, the Minnesota State Colleges and Universities, and other representatives of other entities recommended by task force members. Members of the task force serve without compensation. By February 15, 2009, the task force must submit written recommendations to the education policy and finance committees of the legislature on improving teacher quality and identifying the institutional structures and strategies for effectively integrating secondary and postsecondary academic and career education, consistent with this section.

(c) Upon request, the commissioner of education must provide the task force with technical, fiscal, and other support services.

(d) The advisory task force expires February 16, 2009.

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

Sec. 49. COMPUTER ADAPTIVE ASSESSMENTS.

The Department of Education, by December 1, 2008, must report to the education committees of the legislature on its efforts to add a computer adaptive assessment that includes formative analytics to the Minnesota's comprehensive assessment administered under Minnesota Statutes, section 120B.30.

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

Sec. 50. **DEPARTMENT OF EDUCATION REPORT.**

The Department of Education must submit a report to the education committees of the legislature by January 15, 2009, analyzing existing stand-alone school district reporting requirements and recommend the elimination of any district reports that are duplicative of other data already collected by the department.

Sec. 51. **REVIVAL AND REENACTMENT.**

Minnesota Statutes, section 124D.10, subdivision 2a, is revived and reenacted effective retroactively and without interruption from June 30, 2007.

ARTICLE 3
SPECIAL PROGRAMS

Section 1. Minnesota Statutes 2006, section 124D.60, subdivision 1, is amended to read:

Subdivision 1. **Notice.** Within ~~ten~~ 30 days after the enrollment of any pupil in an instructional program for limited English proficient students, the district in which the pupil resides must notify the parent by mail. This notice must:

(1) be in writing in English and in the primary language of the pupil's parents;

(2) inform the parents that their child has been enrolled in an instructional program for limited English proficient students;

(3) contain a simple, nontechnical description of the purposes, method and content of the program;

(4) inform the parents that they have the right to visit the educational program for limited English proficient students in which their child is enrolled;

(5) inform the parents of the time and manner in which to request and receive a conference for the purpose of explaining the nature and purpose of the program; and

(6) inform the parents of their rights to withdraw their child from an educational program for limited English proficient students and the time and manner in which to do so.

The department shall, at the request of the district, prepare the notice in the primary language of the parent.

Sec. 2. Minnesota Statutes 2007 Supplement, section 125A.14, is amended to read:

125A.14 EXTENDED SCHOOL YEAR.

A district may provide extended school year services for children with a disability living within the district and nonresident children temporarily placed in the district pursuant to section 125A.15 ~~or 125A.16~~. Prior to March 31 or 30 days after the child with

a disability is placed in the district, whichever is later, the providing district shall give notice to the district of residence of any nonresident children temporarily placed in the district pursuant to section 125A.15 ~~or 125A.16~~, of its intention to provide these programs. Notwithstanding any contrary provisions in sections 125A.15 ~~and 125A.16~~, the district providing the special instruction and services must apply for special education aid for the extended school year services. The unreimbursed actual cost of providing the program for nonresident children with a disability, including the cost of board and lodging, may be billed to the district of the child's residence and must be paid by the resident district. Transportation costs must be paid by the district responsible for providing transportation pursuant to section 125A.15 ~~or 125A.16~~ and transportation aid must be paid to that district.

Sec. 3. Minnesota Statutes 2006, section 125A.15, is amended to read:

125A.15 PLACEMENT IN ANOTHER DISTRICT; RESPONSIBILITY.

The responsibility for special instruction and services for a child with a disability temporarily placed in another district for care and treatment shall be determined in the following manner:

(a) The district of residence of a child shall be the district in which the child's parent resides, if living, or the child's guardian, or the district designated by the commissioner if neither parent nor guardian is living within the state.

(b) If a district other than the resident district places a pupil for care and treatment, the district placing the pupil must notify and give the resident district an opportunity to participate in the placement decision. When an immediate emergency placement of a pupil is necessary and time constraints foreclose a resident district from participating in the emergency placement decision, the district in which the pupil is temporarily placed must notify the resident district of the emergency placement within 15 days. The resident district has up to five business days after receiving notice of the emergency placement to request an opportunity to participate in the placement decision, which the placing district must then provide.

(c) When a child is temporarily placed for care and treatment in a day program located in another district and the child continues to live within the district of residence during the care and treatment, the district of residence is responsible for providing transportation to and from the care and treatment facility program and an appropriate educational program for the child. The resident district may establish reasonable restrictions on transportation, except if a Minnesota court or agency orders the child placed at a day care and treatment program and the resident district receives a copy of the order, then the resident district must provide transportation to and from the program

61.1 unless the court or agency orders otherwise. Transportation shall only be provided by the
61.2 resident district during regular operating hours of the resident district. The resident district
61.3 may provide the educational program at a school within the district of residence, at the
61.4 child's residence, or in the district in which the day treatment center is located by paying
61.5 tuition to that district.

61.6 ~~(e)~~ (d) When a child is temporarily placed in a residential program for care and
61.7 treatment, the nonresident district in which the child is placed is responsible for providing
61.8 an appropriate educational program for the child and necessary transportation while the
61.9 child is attending the educational program; and must bill the district of the child's residence
61.10 for the actual cost of providing the program, as outlined in section 125A.11, except as
61.11 provided in paragraph ~~(d)~~ (e). However, the board, lodging, and treatment costs incurred
61.12 in behalf of a child with a disability placed outside of the school district of residence by
61.13 the commissioner of human services or the commissioner of corrections or their agents,
61.14 for reasons other than providing for the child's special educational needs must not become
61.15 the responsibility of either the district providing the instruction or the district of the child's
61.16 residence. For the purposes of this section, the state correctional facilities operated on a
61.17 fee-for-service basis are considered to be residential programs for care and treatment.

61.18 ~~(d)~~ (e) A privately owned and operated residential facility may enter into a contract
61.19 to obtain appropriate educational programs for special education children and services
61.20 with a joint powers entity. The entity with which the private facility contracts for special
61.21 education services shall be the district responsible for providing students placed in that
61.22 facility an appropriate educational program in place of the district in which the facility is
61.23 located. If a privately owned and operated residential facility does not enter into a contract
61.24 under this paragraph, then paragraph ~~(e)~~ (d) applies.

61.25 ~~(e)~~ (f) The district of residence shall pay tuition and other program costs, not
61.26 including transportation costs, to the district providing the instruction and services.
61.27 The district of residence may claim general education aid for the child as provided by
61.28 law. Transportation costs must be paid by the district responsible for providing the
61.29 transportation and the state must pay transportation aid to that district.

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

61.31 Sec. 4. Minnesota Statutes 2006, section 125A.51, is amended to read:

61.32 **125A.51 PLACEMENT OF CHILDREN WITHOUT DISABILITIES;**
61.33 **EDUCATION AND TRANSPORTATION.**

The responsibility for providing instruction and transportation for a pupil without a disability who has a short-term or temporary physical or emotional illness or disability, as determined by the standards of the commissioner, and who is temporarily placed for care and treatment for that illness or disability, must be determined as provided in this section.

(a) The school district of residence of the pupil is the district in which the pupil's parent or guardian resides.

(b) When parental rights have been terminated by court order, the legal residence of a child placed in a residential or foster facility for care and treatment is the district in which the child resides.

(c) Before the placement of a pupil for care and treatment, the district of residence must be notified and provided an opportunity to participate in the placement decision.

When an immediate emergency placement is necessary and time does not permit resident district participation in the placement decision, the district in which the pupil is temporarily placed, if different from the district of residence, must notify the district of residence of the emergency placement within 15 days of the placement. When a nonresident district makes an emergency placement without first consulting with the resident district, the resident district has up to five business days after receiving notice of the emergency placement to request an opportunity to participate in the placement decision, which the placing district must then provide.

(d) When a pupil without a disability is temporarily placed for care and treatment in a day program and the pupil continues to live within the district of residence during the care and treatment, the district of residence must provide instruction and necessary transportation to and from the care and treatment facility program for the pupil. The resident district may establish reasonable restrictions on transportation, except if a Minnesota court or agency orders the child placed at a day care and treatment program and the resident district receives a copy of the order, then the resident district must provide transportation to and from the program unless the court or agency orders otherwise.

Transportation shall only be provided by the resident district during regular operating hours of the resident district. The resident district may provide the instruction at a school within the district of residence, at the pupil's residence, or in the case of a placement outside of the resident district, in the district in which the day treatment program is located by paying tuition to that district. The district of placement may contract with a facility to provide instruction by teachers licensed by the state Board of Teaching.

(e) When a pupil without a disability is temporarily placed in a residential program for care and treatment, the district in which the pupil is placed must provide instruction for the pupil and necessary transportation while the pupil is receiving instruction, and in

the case of a placement outside of the district of residence, the nonresident district must bill the district of residence for the actual cost of providing the instruction for the regular school year and for summer school, excluding transportation costs.

(f) Notwithstanding paragraph (e), if the pupil is homeless and placed in a public or private homeless shelter, then the district that enrolls the pupil under section 127A.47, subdivision 2, shall provide the transportation, unless the district that enrolls the pupil and the district in which the pupil is temporarily placed agree that the district in which the pupil is temporarily placed shall provide transportation. When a pupil without a disability is temporarily placed in a residential program outside the district of residence, the administrator of the court placing the pupil must send timely written notice of the placement to the district of residence. The district of placement may contract with a residential facility to provide instruction by teachers licensed by the state Board of Teaching. For purposes of this section, the state correctional facilities operated on a fee-for-service basis are considered to be residential programs for care and treatment.

(g) The district of residence must include the pupil in its residence count of pupil units and pay tuition as provided in section 123A.488 to the district providing the instruction. Transportation costs must be paid by the district providing the transportation and the state must pay transportation aid to that district. For purposes of computing state transportation aid, pupils governed by this subdivision must be included in the disabled transportation category if the pupils cannot be transported on a regular school bus route without special accommodations.

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

Sec. 5. Minnesota Statutes 2006, section 125A.744, subdivision 3, is amended to read:

Subd. 3. **Implementation.** Consistent with section 256B.0625, subdivision 26, school districts may enroll as medical assistance providers or subcontractors and bill the Department of Human Services under the medical assistance fee for service claims processing system for special education services which are covered services under chapter 256B, which are provided in the school setting for a medical assistance recipient, and for whom the district has secured informed consent consistent with section 13.05, subdivision 4, paragraph (d), and section 256B.77, subdivision 2, paragraph (p), to bill for each type of covered service. School districts shall be reimbursed by the commissioner of human services for the federal share of individual education plan health-related services that qualify for reimbursement by medical assistance, minus up to five percent retained by the commissioner of human services for administrative costs, ~~not to exceed \$350,000 per fiscal year~~. The commissioner may withhold up to five percent of each payment to a

64.1 school district. Following the end of each fiscal year, the commissioner shall settle up with
64.2 each school district in order to ensure that collections from each district for departmental
64.3 administrative costs are made on a pro rata basis according to federal earnings for these
64.4 services in each district. A school district is not eligible to enroll as a home care provider
64.5 or a personal care provider organization for purposes of billing home care services under
64.6 sections 256B.0651 and 256B.0653 to 256B.0656 until the commissioner of human
64.7 services issues a bulletin instructing county public health nurses on how to assess for the
64.8 needs of eligible recipients during school hours. To use private duty nursing services or
64.9 personal care services at school, the recipient or responsible party must provide written
64.10 authorization in the care plan identifying the chosen provider and the daily amount
64.11 of services to be used at school.

64.12 Sec. 6. Laws 2007, chapter 146, article 3, section 23, subdivision 2, is amended to read:

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

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

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

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

64.30 Sec. 7. **EXPEDITED PROCESS, SPECIFIC LEARNING DISABILITY RULE.**

64.31 The commissioner of education may use the expedited process under Minnesota
64.32 Statutes, section 14.389, to conform Minnesota Rule, part 3525.1341, to new federal
64.33 requirements on specific learning disabilities under Public Law 108-446, Sections 602(30)

65.1 and 614(b)(6), the Individuals with Disabilities Education Improvement Act of 2004,
65.2 and its implementing regulations.

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

65.4 Sec. 8. **REPEALER.**

65.5 Minnesota Statutes 2006, sections 121A.67; 125A.16; 125A.19; 125A.20; and
65.6 125A.57, and Laws 2006, chapter 263, article 3, section 16, are repealed.

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

65.8 **ARTICLE 4**

65.9 **LIBRARIES**

65.10 Section 1. Minnesota Statutes 2007 Supplement, section 134.31, subdivision 4a,
65.11 is amended to read:

65.12 Subd. 4a. **Services to the blind and physically handicapped.** The Minnesota
65.13 Department of Education shall provide specialized services to the blind and physically
65.14 handicapped through the Minnesota Braille and Talking Book Library ~~for the Blind and~~
65.15 ~~Physically Handicapped~~ under a cooperative plan with the National Library Services for
65.16 the Blind and Physically Handicapped of the Library of Congress.

65.17 Sec. 2. Minnesota Statutes 2006, section 134.31, subdivision 6, is amended to read:

65.18 Subd. 6. **Advisory committee.** The commissioner shall appoint an advisory
65.19 committee of five members to advise the staff of the Minnesota Braille and Talking
65.20 Book Library ~~for the Blind and Physically Handicapped~~ on long-range plans and library
65.21 services. Members shall be people who use the library. Section 15.059 governs this
65.22 committee except that the committee shall not expire.

65.23 Sec. 3. Minnesota Statutes 2006, section 134.31, is amended by adding a subdivision
65.24 to read:

65.25 Subd. 7. **Telephone or electronic meetings.** (a) Notwithstanding section 13D.01,
65.26 the Advisory Committee for the Minnesota Braille and Talking Book Library may conduct
65.27 a meeting of its members by telephone or other electronic means so long as the following
65.28 conditions are met:

65.29 (1) all members of the committee participating in the meeting, wherever their
65.30 physical locations, can hear one another and can hear all discussion and testimony;

(2) members of the public present at the regular meeting location of the committee can hear all discussion, testimony, and votes of the members of the committee;

(3) at least one member of the committee is physically present at the regular meeting location; and

(4) all votes are conducted by roll call, so each member's votes on each issue can be identified and recorded.

(b) Each member of the committee participating in a meeting by telephone or other electronic means is considered present at the meeting for purposes of determining quorum and participating in all proceedings.

(c) If telephone or other electronic means is used to conduct a meeting, to the extent practical, the committee shall allow a person to monitor the meeting electronically from a remote location. The committee may require the person making the connection to pay for the documented marginal costs that the committee incurs as a result of the additional connection.

(d) If telephone or other electronic means is used to conduct a regular, special, or emergency meeting, the committee shall provide notice of the regular meeting location, the fact that some members may participate by telephone or other electronic means, and the provisions of paragraph (c). The timing and method of providing notice is governed by section 13D.04.

ARTICLE 5

STATE AGENCIES

Section 1. Minnesota Statutes 2006, section 125A.65, subdivision 4, is amended to read:

Subd. 4. **Unreimbursed costs.** (a) For fiscal year 2006, in addition to the tuition charge allowed in subdivision 3, the academies may charge the child's district of residence for the academy's unreimbursed cost of providing an instructional aide assigned to that child, after deducting the special education aid under section 125A.76, attributable to the child, if that aide is required by the child's individual education plan. Tuition received under this paragraph must be used by the academies to provide the required service.

(b) For fiscal year ~~2007~~ 2008 and later, the special education aid paid to the academies shall be increased by the academy's unreimbursed cost of providing ~~an one~~ to one instructional aide and behavioral management aides assigned to a child, after deducting the special education aid under section 125A.76 attributable to the child, if ~~that~~ the ~~aide is~~ the aides are required by the child's individual education plan. Aid received under this paragraph must be used by the academies to provide the required service.

(c) For fiscal year ~~2007~~ 2008 and later, the special education aid paid to the district of the child's residence shall be reduced by the amount paid to the academies for district residents under paragraph (b).

(d) Notwithstanding section 127A.45, subdivision 3, beginning in fiscal year 2008, the commissioner shall make an estimated final adjustment payment to the Minnesota State Academies for general education aid and special education aid for the prior fiscal year by August 15.

(e) For fiscal year 2008, the academies may retain receipts received through mutual agreements with school districts for one to one behavior management aides.

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

Sec. 2. 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 year 2008.

ARTICLE 6

SELF-SUFFICIENCY AND LIFELONG LEARNING

Section 1. Minnesota Statutes 2006, section 120A.22, subdivision 5, is amended to read:

Subd. 5. **Ages and terms.** (a) Every child between seven and 16 years of age must receive instruction. Every child under the age of seven who is enrolled in a half-day kindergarten, or a full-day kindergarten program on alternate days, or other kindergarten programs shall receive instruction. ~~Except as provided in subdivision 6, a parent may withdraw a child under the age of seven from enrollment at any time.~~

(b) A school district by annual board action may require children subject to this subdivision to receive instruction in summer school. A district that acts to require children to receive instruction in summer school shall establish at the time of its action the criteria for determining which children must receive instruction.

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

68.3 Sec. 2. Minnesota Statutes 2006, section 120A.22, subdivision 6, is amended to read:

68.4 Subd. 6. **Children under seven.** (a) Once a pupil under the age of seven is enrolled
68.5 in ~~kindergarten~~ first grade or a higher grade in a public school, the pupil is subject to the
68.6 compulsory attendance provisions of this chapter and section 120A.34, unless the board of
68.7 the district in which the pupil is enrolled has a policy that exempts children under seven
68.8 from this subdivision or paragraph (b) applies.

68.9 ~~(b) In a district in which children under seven are subject to compulsory attendance~~
68.10 ~~under this subdivision, paragraphs (c) to (e) apply.~~

68.11 ~~(c) A parent or guardian may withdraw the pupil from enrollment in the school for~~
68.12 ~~good cause by notifying the district. Good cause includes, but is not limited to, enrollment~~
68.13 ~~of the pupil in another school, as defined in subdivision 4, or the immaturity of the child.~~

68.14 ~~(d) When the pupil enrolls, the enrolling official must provide the parent or guardian~~
68.15 ~~who enrolls the pupil with a written explanation of the provisions of this subdivision.~~

68.16 ~~(e) A pupil under the age of seven who is withdrawn from enrollment in the public~~
68.17 ~~school under paragraph (e) is no longer subject to the compulsory attendance provisions~~
68.18 ~~of this chapter.~~

68.19 ~~(f)~~ (b) This subdivision does not apply to:

68.20 (1) a kindergartner under age seven whose parent withdraws the child after notifying
68.21 the district; and

68.22 (2) a child under age seven enrolled in first grade whose parent withdraws the child
68.23 after notifying the district and enrolls the child in another school under subdivision 4.

68.24 (c) In a district that had adopted a policy to exempt children under seven from this
68.25 subdivision, the district's chief attendance officer must keep the truancy enforcement
68.26 authorities supplied with a copy of the board's current policy certified by the clerk of
68.27 the board.

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

68.30 Sec. 3. Minnesota Statutes 2007 Supplement, section 124D.13, subdivision 11, is
68.31 amended to read:

68.32 Subd. 11. **Teachers.** A school board must employ necessary ~~qualified~~ licensed
68.33 ~~teachers licensed in early childhood or parent education~~ for its early childhood family
68.34 education programs. The Board of Teaching, at its discretion, may grant an applicant a

69.1 variance under this subdivision, consistent with sections 122A.09, subdivision 10, and
69.2 122A.25, and Board of Teaching rules.

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

69.4 Sec. 4. Minnesota Statutes 2006, section 124D.19, subdivision 14, is amended to read:

69.5 Subd. 14. **Community education; annual report.** Each district offering a
69.6 community education program under this section must annually complete a program
69.7 report to the department ~~information regarding the cost per participant and cost per contact~~
69.8 ~~hour for each community education program, including youth after-school enrichment~~
69.9 ~~programs, that receives aid or levy. The department must include cost per participant and~~
69.10 ~~cost per contact hour information by program in the community education annual report.~~

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

69.13 Sec. 5. Minnesota Statutes 2006, section 124D.522, is amended to read:

69.14 **124D.522 ADULT BASIC EDUCATION SUPPLEMENTAL SERVICE**
69.15 **GRANTS.**

69.16 (a) The commissioner, in consultation with the policy review task force under
69.17 section 124D.521, may make grants to nonprofit organizations to provide services that
69.18 are not offered by a district adult basic education program or that are supplemental to
69.19 either the statewide adult basic education program, or a district's adult basic education
69.20 program. The commissioner may make grants for: staff development for adult basic
69.21 education teachers and administrators; training for volunteer tutors; training, services, and
69.22 materials for serving disabled students through adult basic education programs; statewide
69.23 promotion of adult basic education services and programs; development and dissemination
69.24 of instructional and administrative technology for adult basic education programs;
69.25 programs which primarily serve communities of color; adult basic education distance
69.26 learning projects, including television instruction programs; and other supplemental
69.27 services to support the mission of adult basic education and innovative delivery of adult
69.28 basic education services.

69.29 (b) The commissioner must establish eligibility criteria and grant application
69.30 procedures. Grants under this section must support services throughout the state, focus on
69.31 educational results for adult learners, and promote outcome-based achievement through
69.32 adult basic education programs. Beginning in fiscal year 2002, the commissioner may
69.33 make grants under this section from the state total adult basic education aid set aside for

70.1 supplemental service grants under section 124D.531. Up to one-fourth of the appropriation
70.2 for supplemental service grants must be used for grants for adult basic education programs
70.3 to encourage and support innovations in adult basic education instruction and service
70.4 delivery. A grant to a single organization cannot exceed ~~\$100,000~~ 25 percent of the total
70.5 supplemental services aid. Nothing in this section prevents an approved adult basic
70.6 education program from using state or federal aid to purchase supplemental services.

70.7 Sec. 6. Minnesota Statutes 2007 Supplement, section 124D.531, subdivision 1, is
70.8 amended to read:

70.9 Subdivision 1. **State total adult basic education aid.** (a) The state total adult basic
70.10 education aid for fiscal year 2005 is \$36,509,000. The state total adult basic education
70.11 aid for fiscal year 2006 equals \$36,587,000 plus any amount that is not paid for during
70.12 the previous fiscal year, as a result of adjustments under subdivision 4, paragraph (a), or
70.13 section 124D.52, subdivision 3. The state total adult basic education aid for fiscal year
70.14 2007 equals \$37,673,000 plus any amount that is not paid for during the previous fiscal
70.15 year, as a result of adjustments under subdivision 4, paragraph (a), or section 124D.52,
70.16 subdivision 3. The state total adult basic education aid for fiscal year 2008 equals
70.17 \$40,650,000, plus any amount that is not paid during the previous fiscal year as a result of
70.18 adjustments under subdivision 4, paragraph (a), or section 124D.52, subdivision 3. The
70.19 state total adult basic education aid for later fiscal years equals:

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

70.23 (2) the lesser of:

70.24 (i) 1.03; or

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

70.28 Beginning in fiscal year 2002, two percent of the state total adult basic education
70.29 aid must be set aside for adult basic education supplemental service grants under section
70.30 124D.522.

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

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71.1 Sec. 7. Minnesota Statutes 2006, section 124D.55, is amended to read:

71.2 **124D.55 GENERAL EDUCATION DEVELOPMENT (GED) TEST FEES.**

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

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ARTICLE 1	GENERAL EDUCATION	Page.Ln 1.27
ARTICLE 2	EDUCATION EXCELLENCE	Page.Ln 8.27
ARTICLE 3	SPECIAL PROGRAMS	Page.Ln 59.9
ARTICLE 4	LIBRARIES	Page.Ln 65.8
ARTICLE 5	STATE AGENCIES	Page.Ln 66.20
ARTICLE 6	SELF-SUFFICIENCY AND LIFELONG LEARNING	Page.Ln 67.19

121A.67 AVERSIVE AND DEPRIVATION PROCEDURES.

Subdivision 1. **Rules.** The commissioner, after consultation with interested parent organizations and advocacy groups, the Minnesota Administrators for Special Education, the Minnesota Association of School Administrators, Education Minnesota, the Minnesota School Boards Association, the Minnesota Police Officers Association, a representative of a bargaining unit that represents paraprofessionals, the Elementary School Principals Association, and the Secondary School Principals Association, must amend rules governing the use of aversive and deprivation procedures by school district employees or persons under contract with a school district. The rules must:

- (1) promote the use of positive behavioral interventions and supports and must not encourage or require the use of aversive or deprivation procedures;
- (2) require that planned application of aversive and deprivation procedures only be instituted after completing a functional behavior assessment and developing a behavior intervention plan that is included in or maintained with the individual education plan;
- (3) require educational personnel to notify a parent or guardian of a pupil with an individual education plan on the same day aversive or deprivation procedures are used in an emergency or in writing within two school days if district personnel are unable to provide same-day notice;
- (4) establish health and safety standards for the use of locked time-out procedures that require a safe environment, continuous monitoring of the child, ventilation, adequate space, a locking mechanism that disengages automatically when not continuously engaged by school personnel, and full compliance with state and local fire and building codes, including state rules on time-out rooms;
- (5) contain a list of prohibited procedures;
- (6) consolidate and clarify provisions related to behavior intervention plans;
- (7) require school districts to register with the commissioner any room used for locked time-out, which the commissioner must monitor by making announced and unannounced on-site visits;
- (8) place a student in locked time-out only if the intervention is:
 - (i) part of the comprehensive behavior intervention plan that is included in or maintained with the student's individual education plan, and the plan uses positive behavioral interventions and supports, and data support its continued use; or
 - (ii) used in an emergency for the duration of the emergency only; and
- (9) require a providing school district or cooperative to establish an oversight committee composed of at least one member with training in behavioral analysis and other appropriate education personnel to annually review aggregate data regarding the use of aversive and deprivation procedures.

Subd. 2. **Removal by peace officer.** If a pupil who has an individual education plan is restrained or removed from a classroom, school building, or school grounds by a peace officer at the request of a school administrator or a school staff person during the school day twice in a 30-day period, the pupil's individual education program team must meet to determine if the pupil's individual education plan is adequate or if additional evaluation is needed.

125A.16 PLACEMENT IN STATE INSTITUTION; RESPONSIBILITY.

(a) Responsibility for special instruction and services for a child with a disability placed in a state institution on a temporary basis must be determined in the following manner:

- (1) the legal residence of the child is the district in which the child's parent resides, if living, or the child's guardian; and
- (2) when the educational needs of the child can be met through the institutional program, the costs for the instruction must be paid by the department to which the institution is assigned with exception of children placed in fee-for-service facilities operated by the commissioner of corrections whose cost for such instruction shall be paid as outlined in section 125A.15.

(b) When it is determined that the child can benefit from public school enrollment, provision for the instruction shall be made in the following manner:

- (1) determination of eligibility for special instruction and services must be made by the commissioner and the commissioner of the department responsible for the institution;
- (2) the district where the institution is located is responsible for providing transportation and an appropriate educational program for the child and must make a tuition charge to the child's district of residence for the actual cost of providing the program; and

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(3) the district of the child's residence shall pay the tuition and other program costs excluding transportation costs and may claim general education aid for the child. Transportation costs must be paid by the district where the institution is located and the state must pay transportation aid to that district.

125A.19 NONRESIDENT EDUCATION; BILLING.

All tuition billing for the education of nonresident children pursuant to sections 125A.03 to 125A.24 and 125A.65 must be done on uniform forms prescribed by the commissioner. The billing shall contain an itemized statement of costs that are being charged to the district of residence. One copy of each billing must be filed with the commissioner.

125A.20 TRANSPORTATION AID AGREEMENTS.

Notwithstanding the provisions of sections 125A.11, 125A.14, and 125A.15, when a child receives special instruction and services in a day program outside the resident district, the resident district and the nonresident district where the child is placed may enter into an agreement providing for the nonresident district to pay the cost of any particular transportation categories specified in section 123B.92, subdivision 1, and claim transportation aid for those categories. In this case, the nonresident district may not obtain any payment from the resident district for the categories covered by the agreement.

125A.57 DEFINITION.

Subdivision 1. **Applicability.** For the purposes of sections 125A.57 to 125A.60, the following terms have the meanings given them.

Subd. 2. **Assistive technology device.** "Assistive technology device" means any item, piece of equipment, software, or product system, whether acquired commercially off the shelf, modified, or customized, that is used to increase, maintain, or improve functional capabilities of children with disabilities.

APPENDIX
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Laws 2006, chapter 263, article 3, section 16

Sec. 16. **DEPARTMENT OF EDUCATION RULES.**

Before July 1, 2007, the Department of Education shall amend Minnesota Rules, part 3525.2325, to conform with Minnesota Statutes, section 125A.515.