

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 subdivisions; 120A.22, subdivisions 5, 6; 120B.02; 120B.023, subdivision 2; 120B.11, subdivision 5; 120B.131, subdivision 2; 121A.11, subdivisions 1, 2; 122A.07, subdivisions 2, 3; 122A.09, subdivision 4; 122A.14, by adding subdivisions; 122A.18, by adding a subdivision; 122A.40, subdivision 5; 122A.60; 122A.61, subdivision 1; 122A.75, subdivision 1; 123B.14, subdivision 7; 123B.36, subdivision 1; 123B.49, subdivision 4; 123B.51, by adding a subdivision; 123B.57, subdivisions 2, 6; 123B.71, subdivision 9; 123B.77, subdivision 3; 123B.81, subdivisions 3, 5; 123B.83, subdivision 3; 124D.10, subdivisions 2a, 4a, 6, 6a, 7, 8, 9, 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; 135A.14, subdivision 2; Minnesota Statutes 2007 Supplement, sections 120B.021, subdivision 1; 120B.15; 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; proposing coding for new law in Minnesota Statutes, chapters 3; 120B; 121A; 124D; 125B; 127A; 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. **[3.9855] EDUCATION FIRST.**

Notwithstanding any law to the contrary, during a regular legislative session, the legislature must pass and send to the governor, the state early education through grade 12 biennial finance legislation in the first year of the biennium and the early education

2.1 through grade 12 supplemental finance legislation in the second year of the biennium
2.2 before passing any other state budget finance legislation.

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

2.4 Sec. 2. Minnesota Statutes 2006, section 122A.40, subdivision 5, is amended to read:

2.5 Subd. 5. **Probationary period.** (a) The first three consecutive years of a teacher's
2.6 first teaching experience in Minnesota in a single district is deemed to be a probationary
2.7 period of employment, and after completion thereof, the probationary period in each
2.8 district in which the teacher is thereafter employed shall be one year. The school board
2.9 must adopt a plan for written evaluation of teachers during the probationary period.
2.10 Evaluation must occur at least three times each year for a teacher performing services on
2.11 120 or more school days, at least two times each year for a teacher performing services on
2.12 60 to 119 school days, and at least one time each year for a teacher performing services
2.13 on fewer than 60 school days. Days devoted to parent-teacher conferences, teachers'
2.14 workshops, and other staff development opportunities and days on which a teacher is
2.15 absent from school must not be included in determining the number of school days on
2.16 which a teacher performs services. Except as otherwise provided in ~~paragraph~~ paragraphs
2.17 (b) and (c), during the probationary period any annual contract with any teacher may or
2.18 may not be renewed as the school board shall see fit. However, the board must give any
2.19 such teacher whose contract it declines to renew for the following school year written
2.20 notice to that effect before July 1. If the teacher requests reasons for any nonrenewal
2.21 of a teaching contract, the board must give the teacher its reason in writing, including
2.22 a statement that appropriate supervision was furnished describing the nature and the
2.23 extent of such supervision furnished the teacher during the employment by the board,
2.24 within ten days after receiving such request. The school board may, after a hearing held
2.25 upon due notice, discharge a teacher during the probationary period for cause, effective
2.26 immediately, under section 122A.44.

2.27 (b) A board must discharge a probationary teacher, effective immediately, upon
2.28 receipt of notice under section 122A.20, subdivision 1, paragraph (b), that the teacher's
2.29 license has been revoked due to a conviction for child abuse or sexual abuse.

2.30 (c) A school district that fails to evaluate a probationary teacher under paragraph (a)
2.31 must renew the teacher unless it completes the required evaluation or budget constraints
2.32 require the board to not renew the probationary teacher.

2.33 (d) A probationary teacher whose first three years of consecutive employment are
2.34 interrupted for active military service and who promptly resumes teaching consistent with
2.35 federal reemployment timelines for uniformed service personnel under United States

Code, title 38, section 4312(e), is considered to have a consecutive teaching experience for purposes of paragraph (a).

~~(d)~~ (e) A probationary teacher must complete at least 60 days of teaching service each year during the probationary period. Days devoted to parent-teacher conferences, teachers' workshops, and other staff development opportunities and days on which a teacher is absent from school do not count as days of teaching service under this paragraph.

Sec. 3. 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. 4. Minnesota Statutes 2006, section 123B.57, subdivision 2, is amended to read:

Subd. 2. **Contents of program.** (a) To qualify for health and safety revenue, a
district must adopt a health and safety program. The program must include plans, where
applicable, for hazardous substance removal, fire and life safety code repairs, regulated
facility and equipment violations, and health, safety, and environmental management,
including indoor air quality management.

~~(a)~~ (b) A hazardous substance plan must contain provisions for the removal or
encapsulation of asbestos from school buildings or property, asbestos-related repairs,
cleanup and disposal of polychlorinated biphenyls found in school buildings or property,
and cleanup, removal, disposal, and repairs related to storing heating fuel or transportation
fuels such as alcohol, gasoline, fuel, oil, and special fuel, as defined in section 296A.01.
If a district has already developed a plan for the removal or encapsulation of asbestos as
required by the federal Asbestos Hazard Emergency Response Act of 1986, the district
may use a summary of that plan, which includes a description and schedule of response
actions, for purposes of this section. The plan must also contain provisions to make
modifications to existing facilities and equipment necessary to limit personal exposure
to hazardous substances, as regulated by the federal Occupational Safety and Health
Administration under Code of Federal Regulations, title 29, part 1910, subpart Z; or is
determined by the commissioner to present a significant risk to district staff or student
health and safety as a result of foreseeable use, handling, accidental spill, exposure, or
contamination.

~~(b)~~ (c) A fire and life safety plan must contain a description of the current fire ~~and~~₂
life safety, or elevator code violations, a plan for the removal or repair of the fire ~~and~~₂ life
safety, or elevator safety hazard, and a description of safety preparation and awareness
procedures to be followed until the hazard is fully corrected.

~~(c)~~ (d) A facilities and equipment violation plan must contain provisions to correct
health and safety hazards as provided in Department of Labor and Industry standards
pursuant to section 182.655.

~~(d)~~ (e) A health, safety, and environmental management plan must contain a
description of training, record keeping, hazard assessment, and program management as
defined in section 123B.56.

~~(e)~~ (f) A plan to test for and mitigate radon produced hazards.

~~(f)~~ (g) A plan to monitor and improve indoor air quality.

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

Sec. 5. Minnesota Statutes 2006, section 123B.57, subdivision 6, is amended to read:

5.1 Subd. 6. **Uses of health and safety revenue.** (a) Health and safety revenue may
5.2 be used only for approved expenditures necessary to correct fire and life safety hazards,
5.3 or for the removal or encapsulation of asbestos from school buildings or property
5.4 owned or being acquired by the district, asbestos-related repairs, cleanup and disposal
5.5 of polychlorinated biphenyls found in school buildings or property owned or being
5.6 acquired by the district, or the cleanup, removal, disposal, and repairs related to storing
5.7 heating fuel or transportation fuels such as alcohol, gasoline, fuel oil, and special fuel,
5.8 as defined in section 296A.01, Minnesota occupational safety and health administration
5.9 regulated facility and equipment hazards, indoor air quality mold abatement, upgrades
5.10 or replacement of mechanical ventilation systems to meet American Society of Heating,
5.11 Refrigerating and Air Conditioning Engineers standards and State Mechanical Code,
5.12 Department of Health Food Code and swimming pool hazards excluding depth correction,
5.13 and health, safety, and environmental management. Testing and calibration activities are
5.14 permitted for existing mechanical ventilation systems at intervals no less than every five
5.15 years. Health and safety revenue may be used to replace or repair elevators, according to a
5.16 plan adopted under subdivision 2. Health and safety revenue must not be used to finance a
5.17 lease purchase agreement, installment purchase agreement, or other deferred payments
5.18 agreement. Health and safety revenue must not be used for the construction of new
5.19 facilities or the purchase of portable classrooms, for interest or other financing expenses,
5.20 or for energy efficiency projects under section 123B.65. The revenue may not be used for
5.21 a building or property or part of a building or property used for postsecondary instruction
5.22 or administration or for a purpose unrelated to elementary and secondary education.

5.23 (b) Notwithstanding paragraph (a), health and safety revenue must not be used for
5.24 replacement of building materials or facilities including roof, walls, windows, internal
5.25 fixtures and flooring, nonhealth and safety costs associated with demolition of facilities,
5.26 structural repair or replacement of facilities due to unsafe conditions, violence prevention
5.27 and facility security, ergonomics, building and heating, ventilating and air conditioning
5.28 supplies, maintenance, and cleaning activities. All assessments, investigations,
5.29 inventories, and support equipment not leading to the engineering or construction of a
5.30 project shall be included in the health, safety, and environmental management costs in
5.31 subdivision 8, paragraph (a).

5.32 Sec. 6. Minnesota Statutes 2006, section 123B.77, subdivision 3, is amended to read:

5.33 Subd. 3. **Statement for comparison and correction.** (a) By November 30 of the
5.34 calendar year of the submission of the unaudited financial data, the district must provide to
5.35 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. 7. 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. 8. 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. 9. 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. 10. 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 of the legislature by no later than ~~January 1~~ February 15 of the year following the end of that fiscal year.

Sec. 11. 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. 12. 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. 13. 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;

10.1 ~~(G)~~ (F) section 126C.10, subdivision 29, if the district received equity aid according
10.2 to section 126C.10, subdivision 30, in the second preceding year;
10.3 ~~(H)~~ (G) section 126C.10, subdivision 32, if the district received transition aid
10.4 according to section 126C.10, subdivision 33, in the second preceding year;
10.5 ~~(I)~~ (H) section 123B.53, subdivision 5, if the district received debt service
10.6 equalization aid according to section 123B.53, subdivision 6, in the second preceding year;
10.7 ~~(J)~~ (I) section 124D.22, subdivision 3, if the district received school-age care aid
10.8 according to section 124D.22, subdivision 4, in the second preceding year;
10.9 ~~(K)~~ (J) section 123B.591, subdivision 3, if the district received deferred maintenance
10.10 aid according to section 123B.591, subdivision 4, in the second preceding year; and
10.11 ~~(L)~~ (K) section 126C.10, subdivision 35, if the district received alternative teacher
10.12 compensation equalization aid according to section 126C.10, subdivision 36, paragraph
10.13 (a), in the second preceding year; to
10.14 (ii) the total amount of the district's certified levy in the third preceding December,
10.15 plus or minus auditor's adjustments.

10.16 Sec. 14. Minnesota Statutes 2007 Supplement, section 127A.49, subdivision 3, is
10.17 amended to read:

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

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

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

10.26 (2) the ratio of:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

11.32 (d) This subdivision applies only to the total amount of excess increments received
11.33 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. 8a. Access to student records; school conferences. (a) A parent or guardian of a student may designate an individual, defined under paragraph (c), to participate in a school conference involving the child of the parent or guardian. The parent or guardian must provide the school with prior written consent allowing the significant individual to participate in the conference and to receive any data on the child of the consenting parent or guardian that is necessary and relevant to the conference discussions. The consenting parent or guardian may withdraw consent, in writing, at any time.

(b) A school may accept the following form, or another consent to release student data form, as sufficient to meet the requirements of this subdivision:

"CONSENT TO PARTICIPATE IN CONFERENCES AND
RECEIVE STUDENT DATA

I, (Name of parent or guardian), as parent or guardian of
..... (Name of child), consent to allow
(Name of an individual) to participate in school conferences and receive student data relating to the above-named child, consistent with Minnesota Statutes, section 13.32, subdivision 8a. I understand that I may withdraw my consent, upon written request, at any time.

(Signature of parent or guardian)
(Date)"

(c) For purposes of this section, "an individual" means one additional adult designated by a child's parent or guardian to attend school-related activities and conferences.

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

Sec. 2. 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

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

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

13.5 (2) student demographic and enrollment data;

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

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

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

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

13.10 Sec. 3. Minnesota Statutes 2006, section 120B.02, is amended to read:

13.11 **120B.02 EDUCATIONAL EXPECTATIONS FOR MINNESOTA'S**
13.12 **STUDENTS.**

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

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

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

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

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

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

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

~~(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. 4. 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

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

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

15.9 Sec. 5. Minnesota Statutes 2006, section 120B.023, subdivision 2, is amended to read:

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

15.18 (b) The commissioner in the 2006-2007 school year must revise and align the state's
15.19 academic standards and high school graduation requirements in mathematics to require
15.20 that students satisfactorily complete the revised mathematics standards, beginning in the
15.21 2010-2011 school year. Under the revised standards:

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

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

15.26 The commissioner also must ensure that the statewide mathematics assessments
15.27 administered to students in grades 3 through 8 and 11 beginning in the 2010-2011 school
15.28 year are aligned with the state academic standards in mathematics. The commissioner
15.29 must ensure that the statewide 11th-grade mathematics test assessment administered to
15.30 students under clause (2) in grade 11 beginning in the 2013-2014 school year ~~must~~
15.31 ~~include~~ is aligned with state academic standards in mathematics, including algebra II test
15.32 ~~items that are aligned with corresponding state academic standards in mathematics.~~ The
15.33 commissioner must implement a review of the academic standards and related benchmarks
15.34 in mathematics beginning in the 2015-2016 school year.

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

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

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

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

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

17.1 Sec. 6. Minnesota Statutes 2006, section 120B.131, subdivision 2, is amended to read:

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

17.11 Sec. 7. Minnesota Statutes 2006, section 120B.11, subdivision 5, is amended to read:

17.12 Subd. 5. **Report.** (a) By October 1 of each year, the school board shall use standard
17.13 statewide reporting procedures the commissioner develops and adopt a report that includes
17.14 the following:

17.15 (1) student achievement goals for meeting state academic standards;
17.16 (2) results of local assessment data, and any additional test data;
17.17 (3) evidence of student achievement in subject areas under section 120B.021,
17.18 subdivision 1, for which locally developed or statewide academic standards apply and
17.19 statewide assessments are not developed, and which shall be presented at a local public
17.20 meeting convened for the purpose of presenting the evidence;

17.21 ~~(3)~~ (4) the annual school district improvement plans including staff development
17.22 goals under section 122A.60;

17.23 ~~(4)~~ (5) information about district and learning site progress in realizing previously
17.24 adopted improvement plans; and

17.25 ~~(5)~~ (6) the amount and type of revenue attributed to each education site as defined
17.26 in section 123B.04.

17.27 (b) The school board shall publish the report in the local newspaper with the largest
17.28 circulation in the district, by mail, or by electronic means such as the district Web site. If
17.29 electronic means are used, school districts must publish notice of the report in a periodical
17.30 of general circulation in the district. School districts must make copies of the report
17.31 available to the public on request. The board shall make a copy of the report available to
17.32 the public for inspection. The board shall send a copy of the report to the commissioner
17.33 of education by October 15 of each year.

(c) The title of the report shall contain the name and number of the school district and read "Annual Report on Curriculum, Instruction, and Student Achievement." The report must include at least the following information about advisory committee membership:

(1) the name of each committee member and the date when that member's term expires;

(2) the method and criteria the school board uses to select committee members; and

(3) the date by which a community resident must apply to next serve on the committee.

Sec. 8. Minnesota Statutes 2007 Supplement, section 120B.15, is amended to read:

120B.15 GIFTED AND TALENTED STUDENTS PROGRAMS.

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

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

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

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

(3) an identification appeals process.

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

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

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

Sec. 9. **[120B.194] FIREARMS SAFETY CURRICULUM.**

School districts must allow secondary students to receive firearms safety instruction and complete a firearms safety certification program. The curriculum, instruction, and program certification requirements must be consistent with the firearms safety program for youth developed by the Enforcement Division of the Department of Natural Resources.

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

Sec. 10. Minnesota Statutes 2006, section 121A.11, subdivision 1, is amended to read:

Subdivision 1. **Displayed by schools.** Every public school and charter school in Minnesota must display an appropriate United States flag when in session. The flag shall be displayed upon the school grounds or outside the school building, on a proper staff, on every legal holiday occurring during the school term and at such other times as the board of the district may direct. The flag must be displayed within the principal rooms of the school building at all other times while school is in session.

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

Sec. 11. Minnesota Statutes 2006, section 121A.11, subdivision 2, is amended to read:

Subd. 2. **School boards to provide flags and staffs.** (a) The board must provide the flag for each of the school buildings in their districts, together with a suitable staff to display the flag outside of the school building and proper arrangement to display the flag in the building, and a suitable receptacle for the safekeeping of the flag when not in use.

(b) A charter school board of directors that leases space from a public entity also must provide the flag for its charter school, together with a suitable staff to display the flag outside of the charter school building and proper arrangement to display the flag in the building, and a suitable receptacle for the safekeeping of the flag when not in use. A charter school board of directors that leases space from a nonpublic entity must address the requirement under this subdivision to provide flags and staff in its lease.

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

Sec. 12. **[121A.231] RESPONSIBLE FAMILY LIFE AND SEXUALITY EDUCATION PROGRAMS.**

Subdivision 1. **Definitions.** (a) "Responsible family life and sexuality education" means education in grades 7 through 12 that:

(1) respects community values, marriage, and encourages family communication;

(2) develops skills in communication, decision making, and conflict resolution;

(3) contributes to healthy relationships;

(4) provides human development and sexuality education that is age-appropriate and medically accurate;

(5) includes an abstinence-first approach to delaying initiation of sexual activity that emphasizes abstinence while also including education about contraception and disease prevention; and

20.1 (6) promotes individual responsibility.

20.2 (b) "Age-appropriate" refers to topics, messages, and teaching methods suitable to
20.3 particular ages or age groups of children and adolescents, based on developing cognitive,
20.4 emotional, and behavioral capacity typical for the age or age group.

20.5 (c) "Medically accurate" means verified or supported by research conducted in
20.6 compliance with scientific methods and published in peer-reviewed journals, where
20.7 appropriate, and recognized as accurate and objective by professional organizations
20.8 and agencies in the relevant field, such as the federal Centers for Disease Control
20.9 and Prevention, the American Public Health Association, the American Academy of
20.10 Pediatrics, or the American College of Obstetricians and Gynecologists.

20.11 Subd. 2. **Curriculum requirements.** (a) Consistent with its curriculum review
20.12 cycle under section 120B.11, or no later than the start of the 2011-2012 school year,
20.13 whichever comes first, a school district must offer and may independently establish
20.14 policies, procedures, curriculum, and services for providing responsible family life and
20.15 sexuality education that is age-appropriate and medically accurate for grades 7 through 12.

20.16 (b) A school district must consult with parents or guardians of enrolled students
20.17 when establishing policies, procedures, curriculum, and services under this subdivision.

20.18 Subd. 3. **Notice and parental options.** (a) It is the legislature's intent to encourage
20.19 pupils to communicate with their parents or guardians about human sexuality and to respect
20.20 rights of parents or guardians to supervise their children's education on these subjects.

20.21 (b) Parents or guardians may excuse their children from all or part of a responsible
20.22 family life and sexuality education program.

20.23 (c) A school district must establish policies and procedures consistent with
20.24 paragraph (e) and this section for providing parents or guardians reasonable notice with
20.25 the following information:

20.26 (1) if the district is offering a responsible family life and sexuality education program
20.27 to the parents' or guardians' child during the course of the year;

20.28 (2) how the parents or guardians may inspect the written and audiovisual educational
20.29 materials used in the program and the process for inspection;

20.30 (3) if the program is presented by school district personnel or outside consultants,
20.31 and if outside consultants are used, who they may be; and

20.32 (4) parents' or guardians' right to choose not to have the child participate in the
20.33 program and the procedure for exercising that right.

20.34 (d) A school district must establish policies and procedures for reasonably restricting
20.35 the availability of written and audiovisual educational materials from public view of
20.36 students who have been excused from all or part of a responsible family life and sexuality

21.1 education program at the request of a parent or guardian, consistent with paragraph (e)
21.2 and this section.

21.3 (e) A school district may develop a policy for a parent, guardian, or adult student
21.4 age 18 or older to review the content of the instructional materials under this section. If a
21.5 school district develops a policy, it must make reasonable arrangements with school
21.6 personnel for alternative instruction for those pupils whose parents or guardians object to
21.7 the content of the instruction, and must not impose an academic or other penalty upon a
21.8 pupil for arranging the alternative instruction. School personnel may evaluate and assess
21.9 the quality of the pupil's work completed as part of the alternative instruction.

21.10 Subd. 4. **Assistance to school districts.** (a) The Department of Education may offer
21.11 services to school districts under paragraph (b), clauses (1) to (12), to the extent funds are
21.12 available, to help them implement effective responsible family life and sexuality education
21.13 programs. In making these services available, the department may provide:

21.14 (1) training for teachers, parents, and community members in the development of
21.15 responsible family life and sexuality education curriculum or services and in planning
21.16 for monitoring and evaluation activities;

21.17 (2) resource staff persons to provide expert training, curriculum development and
21.18 implementation, and evaluation services;

21.19 (3) technical assistance to promote and coordinate community, parent, and youth
21.20 forums in communities identified as having high needs for responsible family life and
21.21 sexuality education; and

21.22 (4) technical assistance for issue management and policy development training for
21.23 school boards, superintendents, principals, and administrators across the state.

21.24 (b) Technical assistance in accordance with National Health Education Standards
21.25 provided by the department to school districts may:

21.26 (1) promote instruction and use of materials that are age-appropriate;

21.27 (2) provide information that is medically accurate and objective;

21.28 (3) provide instruction and promote use of materials that are respectful of marriage
21.29 and commitments in relationships;

21.30 (4) provide instruction and promote use of materials that are appropriate for use
21.31 with pupils and family experiences based on race, gender, sexual orientation, and ethnic
21.32 and cultural background, and appropriately accommodate alternative learning based on
21.33 language or disability;

21.34 (5) provide instruction and promote use of materials that encourage pupils to
21.35 communicate with their parents or guardians about human sexuality;

22.1 (6) provide instruction and promote use of age-appropriate materials that teach
22.2 abstinence from sexual intercourse as the only certain way to prevent unintended
22.3 pregnancy or sexually transmitted infections, including HIV, chlamydia, and human
22.4 papillomavirus (HPV), and provide information about the role and value of abstinence
22.5 while also providing medically accurate information on other methods of preventing and
22.6 reducing risk for unintended pregnancy and sexually transmitted infections;

22.7 (7) provide instruction and promote use of age-appropriate materials that are
22.8 medically accurate in explaining transmission modes, risks, symptoms, and treatments for
22.9 sexually transmitted infections, including HIV, chlamydia, and HPV;

22.10 (8) provide instruction and promote use of age-appropriate materials that address
22.11 varied societal views on sexuality, sexual behaviors, pregnancy, and sexually transmitted
22.12 infections, including HIV, chlamydia, and HPV, in an age-appropriate manner;

22.13 (9) provide instruction and promote use of age-appropriate materials that provide
22.14 information about the effectiveness and safety of all FDA-approved methods for
22.15 preventing and reducing risk for unintended pregnancy and sexually transmitted infections,
22.16 including HIV, chlamydia, and HPV;

22.17 (10) provide instruction and promote use of age-appropriate materials that provide
22.18 instruction in skills for making and implementing responsible decisions about sexuality;

22.19 (11) provide instruction and promote use of age-appropriate materials that provide
22.20 instruction in skills for making and implementing responsible decisions about finding and
22.21 using health services; and

22.22 (12) provide instruction and promote use of age-appropriate materials that do not
22.23 teach or promote religious doctrine or bias against a religion or reflect or promote bias
22.24 against any person on the basis of any category protected under the Minnesota Human
22.25 Rights Act, chapter 363A.

22.26 Sec. 13. Minnesota Statutes 2006, section 122A.07, subdivision 2, is amended to read:

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

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

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

23.6 (3) one school administrator; and

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

23.9 Sec. 14. Minnesota Statutes 2006, section 122A.07, subdivision 3, is amended to read:

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

23.14 Sec. 15. Minnesota Statutes 2006, section 122A.09, subdivision 4, is amended to read:

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

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

23.23 (c) The board must adopt rules to approve teacher preparation programs. The board,
23.24 upon the request of a postsecondary student preparing for teacher licensure or a licensed
23.25 graduate of a teacher preparation program, shall assist in resolving a dispute between the
23.26 person and a postsecondary institution providing a teacher preparation program when the
23.27 dispute involves an institution's recommendation for licensure affecting the person or the
23.28 person's credentials. At the board's discretion, assistance may include the application
23.29 of chapter 14.

23.30 (d) The board must provide the leadership and shall adopt rules for the redesign of
23.31 teacher education programs to implement a research based, results-oriented curriculum
23.32 that focuses on the skills teachers need in order to be effective. The board shall implement
23.33 new systems of teacher preparation program evaluation to assure program effectiveness
23.34 based on proficiency of graduates in demonstrating attainment of program outcomes.

24.1 The board must require that persons enrolled in a teacher preparation program receive
24.2 instruction in historical and cultural competencies related to Minnesota American
24.3 Indian tribes and communities and their contributions to Minnesota, consistent with
24.4 sections 120B.021, subdivision 1, and 124D.71 to 124D.82. The competencies related
24.5 to Minnesota American Indian tribes and communities must include, among other
24.6 components, standards for instructional practices most effective for successfully teaching
24.7 elementary and secondary American Indian students.

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

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

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

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

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

24.21 (j) The board must grant life licenses to those who qualify according to requirements
24.22 established by the board, and suspend or revoke licenses pursuant to sections 122A.20 and
24.23 214.10. The board must not establish any expiration date for application for life licenses.

24.24 (k) The board must adopt rules that require all licensed teachers who are renewing
24.25 their continuing license to include in their renewal requirements further preparation in
24.26 the areas of using positive behavior interventions and in accommodating, modifying, and
24.27 adapting curricula, materials, and strategies to appropriately meet the needs of individual
24.28 students and ensure adequate progress toward the state's graduation rule.

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

24.33 (m) The board must adopt rules that require all licensed teachers who are renewing
24.34 their continuing license to include in their renewal requirements further reading
24.35 preparation, consistent with section 122A.06, subdivision 4. The rules do not take effect
24.36 until they are approved by law. Teachers who do not provide direct instruction including, at

25.1 least, counselors, school psychologists, school nurses, school social workers, audiovisual
25.2 directors and coordinators, and recreation personnel are exempt from this section.

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

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

25.9 Sec. 16. Minnesota Statutes 2006, section 122A.14, is amended by adding a
25.10 subdivision to read:

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

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

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

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

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

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

25.28 Sec. 18. Minnesota Statutes 2006, section 122A.18, is amended by adding a
25.29 subdivision to read:

25.30 Subd. 10. **Gifted and talented preparation; board review.** (a) A college or
25.31 university with a teacher preparation program approved by the board must provide teacher

candidates with the opportunity to acquire competency in recognizing gifted students and in providing classroom instruction to gifted and talented students.

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

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

Sec. 19. Minnesota Statutes 2006, section 122A.60, is amended to read:

122A.60 STAFF DEVELOPMENT PROGRAM.

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

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

Activities must:

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

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

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

(4) enhance teacher content knowledge and instructional skills;

(5) align with state and local academic standards;

(6) provide job-embedded or integrated professional development opportunities during teacher contract day to build professional relationships, foster collaboration among principals and staff ~~who provide instruction~~ to identify instructional strategies to meet

27.1 student learning goals, plan for instruction, practice new teaching strategies, review
27.2 the results of implementing strategies, and provide opportunities for teacher-to-teacher
27.3 coaching and mentoring; and

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

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

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

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

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

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

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

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

27.33 (4) improve staff collaboration and develop mentoring and peer coaching programs
27.34 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 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. 20. 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

29.1 related costs for staff development efforts. A district may annually waive the requirement
29.2 to reserve their basic revenue under this section if a majority vote of the licensed teachers
29.3 in the district and a majority vote of the school board agree to a resolution to waive the
29.4 requirement. A district in statutory operating debt is exempt from reserving basic revenue
29.5 according to this section. Districts may expend an additional amount of unreserved
29.6 revenue for staff development based on their needs. With the exception of amounts
29.7 reserved for staff development from revenues allocated directly to school sites, the board
29.8 must initially allocate 50 percent of the reserved revenue to each school site in the district
29.9 on a per teacher basis, which must be retained by the school site until used. The board may
29.10 retain 25 percent to be used for district wide staff development efforts. The remaining
29.11 25 percent of the revenue must be used to make grants to school sites for best practices
29.12 methods. A grant may be used for any purpose authorized under section 120B.22,
29.13 subdivision 2, 122A.60, or for the costs of curriculum development and programs,
29.14 ~~other in-service education~~, teachers' workshops, teacher conferences, substitute teachers
29.15 for staff development purposes, and other staff development efforts, and determined by
29.16 the site professional development team. The site professional development team must
29.17 demonstrate to the school board the extent to which staff at the site have met the outcomes
29.18 of the program. The board may withhold a portion of initial allocation of revenue if the
29.19 staff development outcomes are not being met.

29.20 Sec. 21. Minnesota Statutes 2006, section 122A.75, subdivision 1, is amended to read:

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

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

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

29.27 (3) brokerage assistance to provide services and resources to help administrators
29.28 with needs identified in their individual professional development plan; and

29.29 (4) the opportunity for administrators to acquire competency in administering gifted
29.30 and talented services, consistent with section 122A.14, subdivision 2c.

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

30.1 Sec. 22. Minnesota Statutes 2007 Supplement, section 123B.143, subdivision 1,
30.2 is amended to read:

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

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

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

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

30.34 (4) make reports required by the commissioner; and

30.35 (5) ~~by January 10, submit an annual report to the commissioner in a manner~~
30.36 ~~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. 23. Minnesota Statutes 2006, section 123B.36, subdivision 1, is amended to read:

Subdivision 1. **School boards may require fees.** (a) For purposes of this subdivision, "home school" means a home school as defined in sections 120A.22 and 120A.24 with five or fewer students receiving instruction.

(b) A school board is authorized to require payment of fees in the following areas:

(1) in any program where the resultant product, in excess of minimum requirements and at the pupil's option, becomes the personal property of the pupil;

(2) admission fees or charges for extracurricular activities, where attendance is optional and where the admission fees or charges a student must pay to attend or participate in an extracurricular activity is the same for all students, regardless of whether the student is enrolled in a public or a home school;

(3) a security deposit for the return of materials, supplies, or equipment;

(4) personal physical education and athletic equipment and apparel, although any pupil may personally provide it if it meets reasonable requirements and standards relating to health and safety established by the board;

(5) items of personal use or products that a student has an option to purchase such as student publications, class rings, annuals, and graduation announcements;

(6) fees specifically permitted by any other statute, including but not limited to section 171.05, subdivision 2; provided (i) driver education fees do not exceed the actual cost to the school and school district of providing driver education, and (ii) the driver education courses are open to enrollment to persons between the ages of 15 and 18 who reside or attend school in the school district;

(7) field trips considered supplementary to a district educational program;

(8) any authorized voluntary student health and accident benefit plan;

(9) for the use of musical instruments owned or rented by the district, a reasonable rental fee not to exceed either the rental cost to the district or the annual depreciation plus the actual annual maintenance cost for each instrument;

(10) transportation of pupils to and from extracurricular activities conducted at locations other than school, where attendance is optional, and transportation of charter

school students participating in extracurricular activities in their resident district under section 123B.49, subdivision 4, paragraph (a), which must be charged to the charter school;

(11) transportation to and from school of pupils living within two miles from school and all other transportation services not required by law. If a district charges fees for transportation of pupils, it must establish guidelines for that transportation to ensure that no pupil is denied transportation solely because of inability to pay;

(12) motorcycle classroom education courses conducted outside of regular school hours; provided the charge must not exceed the actual cost of these courses to the school district;

(13) transportation to and from postsecondary institutions for pupils enrolled under the postsecondary enrollment options program under section 123B.88, subdivision 22. Fees collected for this service must be reasonable and must be used to reduce the cost of operating the route. Families who qualify for mileage reimbursement under section 124D.09, subdivision 22, may use their state mileage reimbursement to pay this fee. If no fee is charged, districts must allocate costs based on the number of pupils riding the route.

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

Sec. 24. Minnesota Statutes 2006, section 123B.49, subdivision 4, is amended to read:

Subd. 4. **Board control of extracurricular activities.** (a) The board may take charge of and control all extracurricular activities of the teachers and children of the public schools in the district. Extracurricular activities means all direct and personal services for pupils for their enjoyment that are managed and operated under the guidance of an adult or staff member. The board shall allow all resident pupils receiving instruction in a home school as defined in section 123B.36, subdivision 1, paragraph (a), and all resident pupils receiving instruction in a charter school as defined in section 124D.10 to be eligible to fully participate in extracurricular activities on the same basis as public school students: enrolled in the district's schools. A charter school student must give the enrolling charter school and the resident school district at least a 30-day notice of the student's intent to participate in an extracurricular activity in the resident district. Before a charter school student begins participating in an extracurricular activity in the resident district, the charter school must agree in writing to pay the amount attributable to that student that the district may charge to the charter school under paragraph (f). A charter school student is not eligible to participate in an extracurricular activity in the resident district if that extracurricular activity is offered by the enrolling charter school or the extracurricular activity is not controlled by the high school league under chapter 128C. Charter school

33.1 students participating in extracurricular activities must meet the academic and student
33.2 conduct requirements of the resident district. The charter school must:

33.3 (1) collect the same information that a district collects on a student's eligibility to
33.4 participate in an extracurricular activity;

33.5 (2) transmit that information to the district at least ten days before a student begins
33.6 to participate in the extracurricular activity; and

33.7 (3) immediately transmit to the district any additional information affecting the
33.8 student's eligibility.

33.9 (b) Extracurricular activities have all of the following characteristics:

33.10 (1) they are not offered for school credit nor required for graduation;

33.11 (2) they are generally conducted outside school hours, or if partly during school
33.12 hours, at times agreed by the participants, and approved by school authorities;

33.13 (3) the content of the activities is determined primarily by the pupil participants
33.14 under the guidance of a staff member or other adult.

33.15 (c) If the board does not take charge of and control extracurricular activities, these
33.16 activities shall be self-sustaining with all expenses, except direct salary costs and indirect
33.17 costs of the use of school facilities, met by dues, admissions, or other student fund-raising
33.18 events. The general fund must reflect only those salaries directly related to and readily
33.19 identified with the activity and paid by public funds. Other revenues and expenditures for
33.20 extra curricular activities must be recorded according to the Manual for Activity Fund
33.21 Accounting. Extracurricular activities not under board control must have an annual
33.22 financial audit and must also be audited annually for compliance with this section.

33.23 (d) If the board takes charge of and controls extracurricular activities, any or all
33.24 costs of these activities may be provided from school revenues and all revenues and
33.25 expenditures for these activities shall be recorded in the same manner as other revenues
33.26 and expenditures of the district.

33.27 (e) If the board takes charge of and controls extracurricular activities, the teachers or
33.28 pupils in the district must not participate in such activity, nor shall the school name or any
33.29 allied name be used in connection therewith, except by consent and direction of the board.

33.30 (f) School districts may charge charter schools for each student for each activity the
33.31 lesser of one-half of the statewide average per pupil expenditure on student activities
33.32 and athletics as measured by the most recent edition of School District Profiles posted
33.33 to the Department of Education's Web site, or their proportional share of the amount of
33.34 the extracurricular activities that are not covered by student fees under section 123B.36,
33.35 subdivision 1, ticket revenues, fund-raising efforts, sponsorships, or other income
33.36 generated for those activities for which the charter school is charged. A district may charge

34.1 charter school students the same fees it charges enrolled students to participate in an
34.2 extracurricular activity. All charges to a charter school and charter school students must be
34.3 paid when the charter school students are selected to participate in the activity. A district is
34.4 not required to provide transportation from the charter school to the resident district for a
34.5 charter school student who participates in an extracurricular activity in the resident district.

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

34.8 Sec. 25. Minnesota Statutes 2006, section 123B.51, is amended by adding a
34.9 subdivision to read:

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

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

34.15 Sec. 26. Minnesota Statutes 2006, section 123B.57, subdivision 6, is amended to read:

34.16 Subd. 6. **Uses of health and safety revenue.** (a) Health and safety revenue may
34.17 be used only for approved expenditures necessary to correct fire and life safety hazards,
34.18 or for the removal or encapsulation of asbestos from school buildings or property
34.19 owned or being acquired by the district, asbestos-related repairs, cleanup and disposal
34.20 of polychlorinated biphenyls found in school buildings or property owned or being
34.21 acquired by the district, or the cleanup, removal, disposal, and repairs related to storing
34.22 heating fuel or transportation fuels such as alcohol, gasoline, fuel oil, and special fuel,
34.23 as defined in section 296A.01, Minnesota occupational safety and health administration
34.24 regulated facility and equipment hazards, indoor air quality mold abatement, upgrades
34.25 or replacement of mechanical ventilation systems to meet American Society of Heating,
34.26 Refrigerating and Air Conditioning Engineers standards and State Mechanical Code,
34.27 Department of Health Food Code and swimming pool hazards excluding depth correction,
34.28 and health, safety, and environmental management. Testing and calibration activities are
34.29 permitted for existing mechanical ventilation systems at intervals no less than every five
34.30 years. Health and safety revenue must not be used to finance a lease purchase agreement,
34.31 installment purchase agreement, or other deferred payments agreement. Health and safety
34.32 revenue must not be used for the construction of new facilities or the purchase of portable
34.33 classrooms, for interest or other financing expenses, or for energy efficiency projects

under section 123B.65. The revenue may not be used for a building or property or part of a building or property used for postsecondary instruction or administration or for a purpose unrelated to elementary and secondary education.

(b) Notwithstanding paragraph (a), health and safety revenue must not be used for replacement of building materials or facilities including roof, walls, windows, internal fixtures and flooring, nonhealth and safety costs associated with demolition of facilities, structural repair or replacement of facilities due to unsafe conditions, violence prevention and facility security, ergonomics, building and heating, ventilating and air conditioning supplies, maintenance, and cleaning activities. All assessments, investigations, inventories, and support equipment not leading to the engineering or construction of a project shall be included in the health, safety, and environmental management costs in subdivision 8, paragraph (a).

(c) Health and safety revenue may be used for basic first aid training, focusing on CPR and the use of automatic external defibrillators.

(d) Health and safety revenue may be used to contract for a site-specific evaluation and impact report on the health and environmental effects of the use or installation of synthetic turf on an athletic playing field on school property.

Sec. 27. Minnesota Statutes 2006, section 123B.71, subdivision 9, is amended to read:

Subd. 9. **Information required.** A school board proposing to construct a facility described in subdivision 8 shall submit to the commissioner a proposal containing information including at least the following:

(1) the geographic area and population to be served, preschool through grade 12 student enrollments for the past five years, and student enrollment projections for the next five years;

(2) a list of existing facilities by year constructed, their uses, and an assessment of the extent to which alternate facilities are available within the school district boundaries and in adjacent school districts;

(3) a list of the specific deficiencies of the facility that demonstrate the need for a new or renovated facility to be provided, and a list of the specific benefits that the new or renovated facility will provide to the students, teachers, and community users served by the facility;

(4) the relationship of the project to any priorities established by the school district, educational cooperatives that provide support services, or other public bodies in the service area;

(5) a specification of how the project will increase community use of the facility and whether and how the project will increase collaboration with other governmental or nonprofit entities;

(6) a description of the project, including the specification of site and outdoor space acreage and square footage allocations for classrooms, laboratories, and support spaces; estimated expenditures for the major portions of the project; and the dates the project will begin and be completed;

(7) a specification of the source of financing the project; the scheduled date for a bond issue or school board action; a schedule of payments, including debt service equalization aid; and the effect of a bond issue on local property taxes by the property class and valuation;

(8) an analysis of how the proposed new or remodeled facility will affect school district operational or administrative staffing costs, and how the district's operating budget will cover any increased operational or administrative staffing costs;

(9) a description of the consultation with local or state road and transportation officials on school site access and safety issues, and the ways that the project will address those issues;

(10) a description of how indoor air quality issues have been considered and a certification that the architects and engineers designing the facility will have professional liability insurance;

(11) as required under section 123B.72, for buildings coming into service after July 1, 2002, a certification that the plans and designs for the extensively renovated or new facility's heating, ventilation, and air conditioning systems will meet or exceed code standards; will provide for the monitoring of outdoor airflow and total airflow of ventilation systems; and will provide an indoor air quality filtration system that meets ASHRAE standard 52.1;

(12) a specification of any desegregation requirements that cannot be met by any other reasonable means;

(13) a specification, if applicable, of how the facility will utilize environmentally sustainable school facility design concepts; ~~and~~

(14) a description of how the architects and engineers have considered the American National Standards Institute Acoustical Performance Criteria, Design Requirements and Guidelines for Schools of the maximum background noise level and reverberation times; and

(15) for projects that include installation of synthetic turf on an athletic playing field, a site-specific evaluation and impact report on the health and environmental effects

37.1 of the use or installation of synthetic turf on an athletic playing field on school property.
37.2 For purposes of this section, "synthetic turf" means any materials or compositions that
37.3 include crumb rubber used in the place of grass to surface parks, outdoor athletic playing
37.4 fields, indoor athletic facilities, or other venues; and "crumb rubber" means ground rubber
37.5 derived from waste tires, which contain one or more of the following: acetone, arsenic,
37.6 cadmium, chromium, lead, vanadium, or zinc.

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

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

37.10 Subd. 4. **Online learning parameters.** (a) An online learning student must receive
37.11 academic credit for completing the requirements of an online learning course or program.
37.12 Secondary credits granted to an online learning student must be counted toward the
37.13 graduation and credit requirements of the enrolling district. An online learning provider
37.14 must make available to the enrolling district the course syllabus, standard alignment,
37.15 content outline, assessment requirements, and contact information for supplemental online
37.16 courses taken by students in the enrolling district. The enrolling district must apply the
37.17 same graduation requirements to all students, including online learning students, and
37.18 must continue to provide nonacademic services to online learning students. If a student
37.19 completes an online learning course or program that meets or exceeds a graduation
37.20 standard or grade progression requirement at the enrolling district, that standard or
37.21 requirement is met. The enrolling district must use the same criteria for accepting online
37.22 learning credits or courses as it does for accepting credits or courses for transfer students
37.23 under section 124D.03, subdivision 9. The enrolling district may reduce the course
37.24 schedule of an online learning student in proportion to the number of online learning
37.25 courses the student takes from an online learning provider that is not the enrolling district.

37.26 (b) An online learning student may:

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

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

(3) enroll in additional courses with the online learning provider under a separate 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 (c), 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 shall bring to the attention of the commissioner any matters related to charter schools that the council deems necessary and shall:

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

(2) encourage the creation of innovative schools;

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

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

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

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

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

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

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

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

(b) Before the operators may form and operate a school, the sponsor must file an affidavit with the commissioner stating its intent to authorize a charter school. The affidavit must demonstrate the sponsor's ability to fulfill the responsibilities of a sponsor and state the terms and conditions under which the sponsor would authorize a charter school and how the sponsor intends to oversee the fiscal and student performance of the

40.1 charter school and to comply with the terms of the written contract between the sponsor
40.2 and the charter school board of directors under subdivision 6 in the form and manner
40.3 prescribed by the commissioner. The sponsor must submit an affidavit to the commissioner
40.4 for each charter school it proposes to authorize. The commissioner must approve or
40.5 disapprove the sponsor's proposed authorization within 90 days of receipt of the affidavit.
40.6 Failure to obtain commissioner approval precludes a sponsor from authorizing the charter
40.7 school that was the subject of the affidavit.

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

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

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

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

40.33 (1) the expansion of the charter school is supported by need and projected enrollment;

40.34 (2) the charter school is fiscally sound;

40.35 (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.

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

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

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

(3) establish proper filing techniques;

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

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

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

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

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

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

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

(c) A member of a charter school board of directors that serves as a member of the board of directors or as an employee or agent of or a contractor with a nonprofit entity with whom the charter school contracts, directly or indirectly, for professional services, goods, or facilities, must disclose all potential conflicts to the commissioner. A violation of this requirement makes a contract voidable at the option of the commissioner. The commissioner may reduce a charter school's aid under section 127A.42 if the charter 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. A charter school must not modify any charter school space or otherwise accommodate the practices of any one religious group unless the charter school also

accommodates any other religious group that requests a modification of the charter school space or other accommodation of its religious practices.

(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.

(m) A charter school is subject to sections 123B.36, subdivision 1, paragraph (b), clause (10), and 123B.49, subdivision 4, paragraphs (a) and (f), when its students participate in extracurricular activities in their resident district.

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

Sec. 36. Minnesota Statutes 2006, section 124D.10, subdivision 9, is amended to read:

Subd. 9. **Admission requirements.** A charter school may limit admission to:

(1) pupils within an age group or grade level;

(2) people who are eligible to participate in the graduation incentives program under section 124D.68; or

(3) residents of a specific geographic area where the percentage of the population of non-Caucasian people of that area is greater than the percentage of the non-Caucasian population in the congressional district in which the geographic area is located, and as long as the school reflects the racial and ethnic diversity of the specific area.

A charter school shall enroll an eligible pupil who submits a timely application, unless the number of applications exceeds the capacity of a program, class, grade level, or building. In this case, pupils must be accepted by lot. If a charter school is the only school located in a ~~town~~ municipality serving pupils within a particular grade level, then pupils that are residents of the town must be given preference for enrollment before accepting pupils by lot. If a pupil lives within two miles of a charter school and the next closest public school is more than five miles away, the charter school must give those pupils preference for enrollment before accepting other pupils by lot.

A charter school shall give preference for enrollment to a sibling of an enrolled pupil and to a foster child of that pupil's parents before accepting other pupils by lot.

A charter school may not limit admission to pupils on the basis of intellectual ability, measures of achievement or aptitude, or athletic ability.

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

Sec. 37. 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 mail. The notice shall state the grounds for the proposed action in reasonable detail and that the charter school's board of directors may request in writing an informal hearing before the sponsor within 14 days of receiving notice of nonrenewal or termination of the contract. Failure by the board of directors to make a written request for a hearing

within the 14-day period shall be treated as acquiescence to the proposed action. Upon receiving a timely written request for a hearing, the sponsor shall give reasonable notice to the charter school's board of directors of the hearing date. The sponsor shall conduct an informal hearing before taking final action. The sponsor shall take final action to renew or not renew a contract ~~by the last day of classes in the school year~~ no later than 15 days before the date the sponsor terminates the contract or the end date specified in the contract. If the sponsor is a local board, the school's board of directors may appeal the sponsor's decision to the commissioner.

(b) A contract may be terminated or not renewed upon any of the following grounds:

- (1) failure to meet the requirements for pupil performance contained in the contract;
- (2) failure to meet generally accepted standards of fiscal management;
- (3) violations of law; or
- (4) other good cause shown.

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

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

47.1 (1) sustained failure to meet the requirements for pupil performance contained
47.2 in the contract;
47.3 ~~(1)~~ (2) financial mismanagement; or
47.4 ~~(2)~~ (3) repeated violations of the law; or
47.5 (4) other good cause shown.

47.6 Sec. 38. Minnesota Statutes 2007 Supplement, section 124D.10, subdivision 23a,
47.7 is amended to read:

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

47.13 (b) For purposes of this subdivision:

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

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

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

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

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

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

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

47.30 Sec. 39. [124D.805] COMMITTEE ON AMERICAN INDIAN EDUCATION
47.31 PROGRAMS.

47.32 Subdivision 1. Establishment. The commissioner of education shall establish an
47.33 American Indian education committee. Members appointed by the commissioner must
47.34 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 of any kind for any purpose. The commissioner must determine the membership terms and the duration of the committee, which expire no later than June 30, 2020.

Sec. 40. 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. 41. **[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;

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

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

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

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

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

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

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

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

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

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

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

Sec. 42. **[127A.70] MINNESOTA P-20 EDUCATION PARTNERSHIP.**

Subdivision 1. **Establishment; membership.** (a) A P-20 education partnership is established to create a seamless system of education that maximizes achievements of all students, from early childhood through elementary, secondary, and postsecondary education, while promoting the efficient use of financial and human resources. The partnership shall consist of major statewide educational groups or constituencies or noneducational statewide organizations with a stated interest in P-20 education. The initial membership of the partnership includes the members serving on the Minnesota P-16 Education Partnership and four legislators appointed as follows:

(1) one senator from the majority party and one senator from the minority party, appointed by the Subcommittee on Committees of the Committee on Rules and Administration; and

(2) one member of the house of representatives appointed by the speaker of the house and one member appointed by the minority leader of the house.

The chair of the P-16 education partnership must convene the first meeting of the P-20 partnership. Prospective members may be nominated by any partnership member and

51.1 new members will be added with the approval of a two-thirds majority of the partnership.
51.2 The partnership will also seek input from nonmember organizations whose expertise can
51.3 help inform the partnership's work.

51.4 Partnership members shall be represented by the chief executives, presidents, or
51.5 other formally designated leaders of their respective organizations, or their designees. The
51.6 partnership shall meet at least three times during each calendar year.

51.7 Subd. 2. **Powers and duties; report.** The partnership shall develop
51.8 recommendations to the governor and the legislature designed to maximize the
51.9 achievement of all P-20 students while promoting the efficient use of state resources,
51.10 thereby helping the state realize the maximum value for its investment. These
51.11 recommendations may include, but are not limited to, strategies, policies, or other actions
51.12 focused on:

51.13 (1) improving the quality of and access to education at all points from preschool
51.14 through the graduate education;

51.15 (2) improving preparation for, and transitions to, postsecondary education and
51.16 work; and

51.17 (3) ensuring educator quality by creating rigorous standards for teacher recruitment,
51.18 teacher preparation, induction and mentoring of beginning teachers, and continuous
51.19 professional development for career teachers.

51.20 By January 15 of each year, the partnership shall submit a report to the governor
51.21 and to the chairs and ranking minority members of the legislative committees and
51.22 divisions with jurisdiction over P-20 education policy and finance that summarizes the
51.23 partnership's progress in meeting its goals and identifies the need for any draft legislation
51.24 when necessary to further the goals of the partnership to maximize student achievement
51.25 while promoting efficient use of resources.

51.26 Subd. 3. **Expiration.** Notwithstanding section 15.059, subdivision 5, the partnership
51.27 is permanent and does not expire.

51.28 Sec. 43. **SCHOOL DISTRICT PLANS TO IMPROVE STUDENTS' ACADEMIC**
51.29 **ACHIEVEMENT.**

51.30 Subdivision 1. **District academic achievement plan; priorities.** (a) A school
51.31 district experiencing disparities in academic achievement is encouraged to develop a
51.32 short and long-term plan encompassing one through four years to significantly improve
51.33 students' academic achievement that uses concrete measures to eliminate differences in
51.34 academic performance among groups of students defined by race, ethnicity, and income.
51.35 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 44, 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 44 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. 44. 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 43 and recommend to the education committees of the legislature a proposal for improving students' academic achievement and eliminating differences in academic performance

53.1 among groups of students defined by race, ethnicity, and income. The task force members
53.2 must at least consider how the following education-related issues impact the educational
53.3 achievement of low-income students and students of color:

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

53.10 (2) professional development for educators and how to (i) provide stronger financial
53.11 and professional incentives to attract and retain experienced, bilingual, and culturally
53.12 competent teachers and administrators in schools serving a majority of low-income
53.13 students and students of color, (ii) recruit and retain teachers of color, and (iii) develop and
53.14 include cultural sensitivity and interpersonal and pedagogical skills training that teachers
53.15 need for effective intercultural teaching;

53.16 (3) English language learners and how to (i) use well-designed tests, curricula,
53.17 and English as a second language programs and services as diagnostic tools to develop
53.18 effective student interventions, (ii) monitor students' language capabilities, (iii) provide
53.19 academic instruction in English that supports students' learning and is appropriate
53.20 for students' level of language proficiency, and (iv) incorporate the perspectives and
53.21 contributions of ethnic and racial groups, consistent with Minnesota Statutes, section
53.22 120B.022, subdivision 1, paragraph (b);

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

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

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

53.34 The task force also must examine the findings of a 2008 report by Minnesota
53.35 superintendents on strategies for creating a world-class educational system to establish

priorities for improving students' academic achievement. The task force may consider other related matters at its discretion.

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

(1) a representative from a Twin Cities metropolitan area school district, a suburban school district, a school district located in a regional center, and a rural school district, all four representatives appointed by the education commissioner based on identified concentrations 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.

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

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

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

55.7 Sec. 45. **ADVISORY TASK FORCE; INTEGRATING SECONDARY AND**
55.8 **POSTSECONDARY ACADEMIC AND CAREER EDUCATION.**

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

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

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

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

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

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

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

Sec. 46. **NO CHILD LEFT BEHIND ACT; WAIVER FROM FINANCIAL CONSTRAINTS.**

(a) The commissioner of education must immediately petition the federal Department of Education to allow Minnesota schools to continue to receive federal funds under the No Child Left Behind Act of 2001 for state educational services without the restrictions in federal regulations. The commissioner must include in the petition information to demonstrate the long history of Minnesota's educational efficacy and how flexibility related to expending such federal funds will enhance the state education system.

(b) The commissioner must not enforce the educational assessment and accountability provisions in Minnesota Statutes, chapter 120B, related to implementing the No Child Left Behind Act of 2001 after the 2008-2009 school year. A school board may file a written resolution with the state auditor under Minnesota Statutes, section 6.79, recommending how the legislature should reform the educational assessment and accountability provisions in Minnesota Statutes, chapter 120B, absent the federal mandates. The commissioner may report proposals and requests to the educational committees of the legislature by January 1, 2009.

Sec. 47. **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. 48. **ENDING PARTICIPATION IN NO CHILD LEFT BEHIND.**

The commissioner of education must nullify and revoke by August 1, 2009, the consolidated state plan that the state of Minnesota submitted to the federal Department of Education on implementing the No Child Left Behind Act of 2001, and any other Minnesota state contract or agreement entered into under the provisions of the No Child Left Behind Act of 2001 if (1) the commissioners of education and finance jointly certify that by not implementing the provisions of the No Child Left Behind Act, the state's schools will realize a net financial benefit; (2) state assessment and accountability reforms to include a growth-based assessment are enacted during the 2008 legislative session; and (3) the commissioner of education implements these reforms.

Sec. 49. **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 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 educational program at a school within the district of residence, at the child's residence, or in the district in which the day treatment center is located by paying tuition to that district.

~~(e)~~ (d) When a child is temporarily placed in a residential program for care and treatment, the nonresident district in which the child is placed is responsible for providing an appropriate educational program for the child and necessary transportation while the child is attending the educational program; and must bill the district of the child's residence for the actual cost of providing the program, as outlined in section 125A.11, except as provided in paragraph ~~(d)~~ (e). However, the board, lodging, and treatment costs incurred in behalf of a child with a disability placed outside of the school district of residence by the commissioner of human services or the commissioner of corrections or their agents, for reasons other than providing for the child's special educational needs must not become the responsibility of either the district providing the instruction or the district of the child's residence. For the 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.

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

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

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

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

**125A.51 PLACEMENT OF CHILDREN WITHOUT DISABILITIES;
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 school district. Following the end of each fiscal year, the commissioner shall settle up with each school district in order to ensure that collections from each district for departmental administrative costs are made on a pro rata basis according to federal earnings for these services in each district. A school district is not eligible to enroll as a home care provider or a personal care provider organization for purposes of billing home care services under sections 256B.0651 and 256B.0653 to 256B.0656 until the commissioner of human

62.1 services issues a bulletin instructing county public health nurses on how to assess for the
62.2 needs of eligible recipients during school hours. To use private duty nursing services or
62.3 personal care services at school, the recipient or responsible party must provide written
62.4 authorization in the care plan identifying the chosen provider and the daily amount
62.5 of services to be used at school.

62.6 Sec. 6. **EXPEDITED PROCESS, SPECIFIC LEARNING DISABILITY RULE.**

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

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

62.13 Sec. 7. **REPEALER.**

62.14 Minnesota Statutes 2006, sections 121A.67; 125A.16; 125A.19; 125A.20; and
62.15 125A.57, and Laws 2006, chapter 263, article 3, section 16, are repealed.

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

62.17 **ARTICLE 4**

62.18 **LIBRARIES**

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

62.21 Subd. 4a. **Services to the blind and physically handicapped.** The Minnesota
62.22 Department of Education shall provide specialized services to the blind and physically
62.23 handicapped through the Minnesota Braille and Talking Book Library ~~for the Blind and~~
62.24 ~~Physically Handicapped~~ under a cooperative plan with the National Library Services for
62.25 the Blind and Physically Handicapped of the Library of Congress.

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

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

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

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

(1) all members of the committee participating in the meeting, wherever their 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 aid 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 aid and behavioral management aides assigned to a child, after deducting the special education aid under section 125A.76 attributable to the child, if ~~that aid 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.

Sec. 3. Minnesota Statutes 2006, section 135A.14, subdivision 2, is amended to read:

Subd. 2. **Statement of immunization required; disclosure.** (a) Except as provided in subdivision 3, no student may remain enrolled in a public or private postsecondary educational institution unless the student has submitted to the administrator a statement that the student has received appropriate immunization against measles, rubella, and mumps after having attained the age of 12 months, and against diphtheria and tetanus within ten years of first registration at the institution. This statement must indicate the month and

year of each immunization given. Instead of submitting a statement, a student may provide an immunization record maintained by a school according to section 121A.15, subdivision 7, or a school in another state if the required information is contained in the record. A student who has submitted a statement as provided in this subdivision may transfer to a different Minnesota institution without submitting another statement if the student's transcript or other official documentation indicates that the statement was submitted.

(b) Any written information provided to a student about immunization requirements under this subdivision must describe the exemptions from immunizations under subdivision 3 on the same page and in the same format and style as the written communication for the immunization requirements.

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.

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

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

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

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

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

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

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

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

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

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

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

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

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

Subd. 11. **Teachers.** A school board must employ necessary ~~qualified~~ licensed teachers ~~licensed in early childhood or parent education~~ for its early childhood family education programs. The Board of Teaching, at its discretion, may grant an applicant a variance under this subdivision, consistent with sections 122A.09, subdivision 10, and 122A.25, and Board of Teaching rules.

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

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

Subd. 14. **Community education; annual report.** Each district offering a community education program under this section must annually complete a program report to the department ~~information regarding the cost per participant and cost per contact hour for each community education program, including youth after-school enrichment~~

~~programs, that receives aid or levy. The department must include cost per participant and cost per contact hour information by program in the community education annual report.~~

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

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

124D.522 ADULT BASIC EDUCATION SUPPLEMENTAL SERVICE GRANTS.

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

(b) The commissioner must establish eligibility criteria and grant application procedures. Grants under this section must support services throughout the state, focus on educational results for adult learners, and promote outcome-based achievement through adult basic education programs. Beginning in fiscal year 2002, the commissioner may make grants under this section from the state total adult basic education aid set aside for supplemental service grants under section 124D.531. Up to one-fourth of the appropriation for supplemental service grants must be used for grants for adult basic education programs to encourage and support innovations in adult basic education instruction and service delivery. A grant to a single organization cannot exceed ~~\$100,000~~ 25 percent of the total supplemental services aid. Nothing in this section prevents an approved adult basic education program from using state or federal aid to purchase supplemental services.

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

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

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

(2) the lesser of:

(i) 1.03; or

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

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

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

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

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

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