

A bill for an act
relating to education; modifying alternative teacher pay system; amending
Minnesota Statutes 2010, section 122A.414, subdivisions 1a, 2, 2a, 2b.

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

Section 1. Minnesota Statutes 2010, section 122A.414, subdivision 1a, is amended to
read:

Subd. 1a. **Transitional planning year.** ~~(a) To be eligible to participate in an
alternative teacher professional pay system, a school district, intermediate school district,
or site, at least one school year before it expects to fully implement an alternative pay
system, must:~~

~~(1) submit to the department a letter of intent executed by the school district or
intermediate school district and the exclusive representative of the teachers to complete
a plan preparing for full implementation, begin the process of developing an alternative
teacher pay plan, consistent with subdivision 2, that may include, among other activities,
training to evaluate teacher performance, a restructured school day to develop integrated
ongoing site-based professional development activities, release time to develop an
alternative pay system agreement, and teacher and staff training on using multiple data
sources; and~~

~~(2) agree to use up to two percent of basic revenue for staff development purposes,
consistent with sections 122A.60 and 122A.61, to develop the alternative teacher
professional pay system agreement under this section.~~

~~(b) To be eligible to participate in an alternative teacher professional pay system, a
charter school, at least one school year before it expects to fully implement an alternative
pay system, must:~~

~~(1) submit to the department a letter of intent executed by the charter school and the charter school board of directors;~~

~~(2) submit the record of a formal vote by the teachers employed at the charter school indicating at least 70 percent of all teachers agree to implement the alternative pay system; and~~

~~(3) agree to use up to two percent of basic revenue for staff development purposes, consistent with sections 122A.60 and 122A.61, to develop the alternative teacher professional pay system.~~

~~(c) The commissioner may waive the planning year if the commissioner determines, based on the criteria under subdivision 2, that the school district, intermediate school district, site or charter school is ready to fully implement an alternative pay system.~~

Sec. 2. Minnesota Statutes 2010, section 122A.414, subdivision 2, is amended to read:

Subd. 2. **Alternative teacher professional pay system.** (a) ~~To participate in this program, a~~ All school district districts, intermediate school district, school site, or districts, and charter school schools must have an educational improvement plan under section 122A.413 and an alternative teacher professional pay system agreement under paragraph (b) by the start of the 2014-2015 school year. A charter school participant also must comply with subdivision 2a.

(b) The alternative teacher professional pay system agreement must:

(1) describe how teachers can achieve career advancement and additional compensation;

(2) describe how the school district, intermediate school district, ~~school site,~~ or charter school will provide teachers with career advancement options that allow teachers to retain primary roles in student instruction and facilitate site-focused professional development that helps other teachers improve their skills;

(3) reform the "steps and lanes" salary schedule by establishing an alternative salary schedule that utilizes methods other than seniority and fully or partially embeds performance pay outlined in items (i) to (iii), prevent any teacher's compensation paid before implementing the pay system from being reduced as a result of participating in this system, and improve beginning teacher salaries;

(4) base at least ~~60~~ 50 percent of any compensation increase on teacher performance using:

(i) schoolwide student achievement gains under section 120B.35 ~~or locally selected standardized assessment outcomes, or both~~ as at least 25 percent of any increase;

(ii) ~~measures of~~ student achievement gains based on section 120B.35 or locally selected standardized assessment outcomes, or both as at least 25 percent of any increase;
~~and~~

~~(iii)~~ (5) base the remaining percentage of any compensation increase on teacher performance using an objective evaluation program that includes:

~~(A)~~ (i) individual teacher evaluations required under section 122A.411 and aligned with the educational improvement plan under section 122A.413 and the staff development plan under section 122A.60; and

~~(B)~~ (ii) objective teacher evaluations using multiple criteria conducted by a locally selected and periodically trained evaluation team that understands teaching and learning;

~~(4)~~ (6) provide integrated ongoing site-based professional development activities to improve instructional skills and learning that are aligned with student needs under section sections 122A.411 and 122A.413, consistent with the staff development plan under section 122A.60 and led during the school day by trained teacher leaders such as master or mentor teachers;

~~(5)~~ (7) allow any teacher in a participating school district, intermediate school district, school site, or charter school that implements an alternative pay system to participate in that system without any quota or other limit; and

~~(6)~~ (8) encourage collaboration rather than competition among teachers.

Sec. 3. Minnesota Statutes 2010, section 122A.414, subdivision 2a, is amended to read:

Subd. 2a. **Charter school applications.** For charter school applications, the board of directors of a charter school that satisfies the conditions under subdivisions 2 and 2b must submit to the commissioner an application that contains:

(1) an agreement to implement an alternative teacher professional pay system under this section; and

(2) a resolution by the charter school board of directors adopting the agreement; ~~and~~

~~(3) the record of a formal vote by the teachers employed at the charter school indicating that at least 70 percent of all teachers agree to implement the alternative teacher professional pay system, unless the charter school submits an alternative teacher professional pay system agreement under this section before the first year of operation.~~

Alternative compensation revenue for a qualifying charter school must be calculated under section 126C.10, subdivision 34, paragraphs (a) and (b).

Sec. 4. Minnesota Statutes 2010, section 122A.414, subdivision 2b, is amended to read:

Subd. 2b. **Approval process.** (a) Consistent with the requirements of this section and sections 122A.413 and 122A.415, the department must prepare and transmit to ~~interested~~ all school districts, intermediate school districts, ~~school sites~~, and charter schools a standard form for applying to participate in the alternative teacher professional pay system. The commissioner annually must establish at least three dates as deadlines by which interested applicants must submit an application to the commissioner under this section. ~~An interested~~ All school ~~district~~ districts, intermediate school ~~district~~, ~~school site~~ districts, or charter ~~school~~ schools must submit to the commissioner a completed application executed by the district superintendent and the exclusive bargaining representative of the teachers if the applicant is a school district, ~~or~~ intermediate school district, ~~or school site~~, or executed by the charter school board of directors if the applicant is a charter school. The application must include the proposed alternative teacher professional pay system agreement under subdivision 2. The department must review a completed application within 30 business days of the most recent application deadline and recommend to the commissioner whether to approve or disapprove the application. The commissioner must approve applications on a first-come, first-served basis. The applicant's alternative teacher professional pay system agreement must be legally binding on the applicant and the collective bargaining representative before the applicant receives alternative compensation revenue. The commissioner must approve or disapprove an application based on the requirements under subdivisions 2 and 2a.

(b) If the commissioner disapproves an application, the commissioner must give the applicant timely notice of the specific reasons in detail for disapproving the application. The applicant may revise and resubmit its application and related documents to the commissioner within 30 business days of receiving notice of the commissioner's disapproval and the commissioner must approve or disapprove the revised application, consistent with this subdivision. Applications that are revised and then approved are considered submitted on the date the applicant initially submitted the application.

Sec. 5. **ALTERNATIVE COMPENSATION REAPPLICATION.**

Any school district, intermediate school district, or charter school that has an approved alternative teacher compensation plan under Minnesota Statutes, section 122A.414, must submit a new application to the commissioner of education by June 1, 2013, that complies with the changes to Minnesota Statutes, section 122A.414, subdivision 2, paragraph (b), in section 1.