

**HOUSE OF REPRESENTATIVES**

EIGHTY-SEVENTH SESSION

**H. F. No. 2949**

03/21/2012 Authored by Garofalo

The bill was read for the first time and referred to the Committee on Education Finance

03/28/2012 Adoption of Report: Pass as Amended and re-referred to the Committee on Ways and Means

03/29/2012 Adoption of Report: Pass and Read Second Time

1.1 A bill for an act  
 1.2 relating to education; modifying certain early childhood and kindergarten  
 1.3 through grade 12 policy and finance provisions; requiring reports; appropriating  
 1.4 money; amending Minnesota Statutes 2010, sections 120B.13, subdivision  
 1.5 4; 122A.61, subdivision 1; 124D.09, subdivisions 9, 10, 12, 24; 135A.101,  
 1.6 subdivision 1; 471.975; Minnesota Statutes 2011 Supplement, sections 120B.07;  
 1.7 120B.08; 120B.09; 120B.36, subdivision 1; 124D.09, subdivision 5; 126C.126;  
 1.8 126C.40, subdivision 1; Laws 2011, First Special Session chapter 11, article 5,  
 1.9 section 11; article 7, section 2, subdivision 8; proposing coding for new law in  
 1.10 Minnesota Statutes, chapter 123B; repealing Minnesota Statutes 2010, sections  
 1.11 124D.09, subdivision 23; 127A.095, subdivision 3.

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

1.13 Section 1. Minnesota Statutes 2011 Supplement, section 120B.07, is amended to read:

1.14 **120B.07 EARLY GRADUATION.**

1.15 ~~(a)~~ Notwithstanding any law to the contrary, any secondary school student who has  
 1.16 completed all required courses or standards may, with the approval of the student, the  
 1.17 student's parent or guardian, and local school officials, graduate before the completion  
 1.18 of the school year.

1.19 ~~(b) General education revenue attributable to the student must be paid as though~~  
 1.20 ~~the student was in attendance for the entire year unless the student participates in the~~  
 1.21 ~~early graduation achievement scholarship program under section 120B.08 or the early~~  
 1.22 ~~graduation military service award program under section 120B.09.~~

1.23 **EFFECTIVE DATE.** This section is effective for fiscal year 2012 and later.

2.1 Sec. 2. Minnesota Statutes 2011 Supplement, section 120B.08, is amended to read:

2.2 **120B.08 EARLY GRADUATION ACHIEVEMENT SCHOLARSHIP**  
2.3 **PROGRAM.**

2.4 Subdivision 1. **Participation.** A student who qualifies for early graduation under  
2.5 section 120B.07, who meets the criteria in subdivision 1a and who has not participated in  
2.6 the early graduation military service award program under section 120B.09, is eligible to  
2.7 participate in the early graduation achievement scholarship program.

2.8 Subd. 1a. **Eligible student.** For purposes of this section, an eligible student is a  
2.9 secondary student enrolled in a Minnesota public school who, at the time of graduation,  
2.10 generated Minnesota general education revenue and who graduates prior to the end of the  
2.11 fourth school year after first enrolling in ninth grade.

2.12 Subd. 2. **Scholarship amounts.** A student who participates in the early graduation  
2.13 achievement scholarship program is eligible for a scholarship of \$2,500 if the student  
2.14 ~~qualifies for graduation~~ graduates one semester or two trimesters early, \$5,000 if the  
2.15 student ~~qualifies for graduation~~ graduates two semesters or three or four trimesters early,  
2.16 or \$7,500 if the student ~~qualifies for graduation~~ graduates three or more semesters or five  
2.17 or more trimesters early. Participation in the optional summer term, extended day sessions,  
2.18 and intersessions of a state-approved learning year program under section 124D.128 are  
2.19 considered a quarter for purposes of computing scholarship amounts.

2.20 Subd. 3. **Scholarship uses.** An early graduation achievement scholarship may be  
2.21 used at any ~~accredited~~ institution of higher education accredited by an accrediting agency  
2.22 recognized by the United States Department of Education.

2.23 Subd. 4. **Application.** A qualifying student may apply to the commissioner of  
2.24 education for an early graduation achievement scholarship. The application must be in the  
2.25 form and manner specified by the commissioner and must be received at the department  
2.26 within two calendar years of the date of graduation. Upon verification of the qualifying  
2.27 student's course completion necessary for graduation, the department must issue the  
2.28 student a certificate showing the student's scholarship amount.

2.29 Subd. 5. **Enrollment verification.** A student who qualifies under this section  
2.30 and enrolls in an accredited higher education institution must submit a form to the  
2.31 commissioner verifying the student's enrollment in the higher education institution and the  
2.32 tuition charges for that semester. Within ~~15~~ 45 days of receipt of a student's enrollment  
2.33 and tuition verification form, the commissioner must issue a scholarship check to the  
2.34 ~~student~~ higher education institution in the lesser of the tuition amount for that semester  
2.35 or the maximum amount of the student's early graduation achievement scholarship. A  
2.36 student may continue to submit enrollment verification forms to the commissioner until

3.1 the student has used the full amount of the student's graduation achievement scholarship or  
3.2 six years from the date of the student's graduation, whichever occurs first. The scholarship  
3.3 cannot be renewed.

3.4 Subd. 6. **General education money transferred.** The commissioner must transfer  
3.5 the amounts necessary to fund the early graduation achievement scholarships from the  
3.6 general education aid appropriation for that year.

3.7 **EFFECTIVE DATE.** This section is effective for fiscal year 2012 and later.

3.8 Sec. 3. Minnesota Statutes 2011 Supplement, section 120B.09, is amended to read:

3.9 **120B.09 EARLY GRADUATION MILITARY SERVICE AWARD PROGRAM.**

3.10 Subdivision 1. **Eligibility.** For purposes of this section, "eligible person" means a  
3.11 secondary student enrolled in any Minnesota public school who, at the time of graduation,  
3.12 generated Minnesota general education revenue, who qualifies for early graduation under  
3.13 section 120B.07, who graduated prior to the end of the fourth school year after first  
3.14 enrolling in ninth grade, who has not participated in the early graduation achievement  
3.15 scholarship program under section 120B.08, and who, before the end of the calendar  
3.16 year of the student's graduation, enters into active service in either the active or reserve  
3.17 component of the United States armed forces and deploys for 60 days or longer to a  
3.18 military base or installation outside Minnesota for the purpose of attending basic military  
3.19 training or military school and, if required by the military, performing other military duty.  
3.20 The active service may be in accordance with United States Code, title 10 or title 32.

3.21 Subd. 2. **Application.** An eligible person may apply to the commissioner of  
3.22 education for an early graduation military service bonus. The application must be in the  
3.23 form and manner specified by the commissioner and must be received at the department  
3.24 within two calendar years of the date of graduation.

3.25 Subd. 3. **Verification and award.** The request for payment must be received at  
3.26 the department by the end of the fiscal year following the fiscal year in which the student  
3.27 graduated. Upon verification of the qualifying student's course completion necessary for  
3.28 graduation and eligibility for the military service bonus, the commissioner must issue  
3.29 payment to that person. Payment amounts must be determined according to section  
3.30 120B.08, subdivision 2. Once the original amount of the award has been paid, it cannot be  
3.31 renewed.

3.32 **EFFECTIVE DATE.** This section is effective for fiscal year 2012 and later.

3.33 Sec. 4. Minnesota Statutes 2010, section 120B.13, subdivision 4, is amended to read:

4.1 Subd. 4. **Rigorous course taking information; AP, IB, and PSEO.** The  
4.2 commissioner shall submit the following information on rigorous course taking to the  
4.3 education committees of the legislature each year by February 1:

4.4 (1) the number of pupils enrolled in postsecondary enrollment options under  
4.5 section 124D.09, including concurrent enrollment, advanced placement, and international  
4.6 baccalaureate courses in each school district;

4.7 (2) the number of teachers in each district attending training programs offered by  
4.8 the college board ~~or~~, International Baccalaureate North America, Inc., or Minnesota  
4.9 concurrent enrollment programs;

4.10 (3) the number of teachers in each district participating in support programs;

4.11 (4) recent trends in the field of postsecondary enrollment options under section  
4.12 124D.09, including concurrent enrollment, advanced placement, and international  
4.13 baccalaureate programs;

4.14 (5) expenditures for each category in this section and under sections 124D.09 and  
4.15 124D.091; and

4.16 (6) other recommendations for the state program or the postsecondary enrollment  
4.17 options under section 124D.09, including concurrent enrollment.

4.18 **EFFECTIVE DATE.** This section is effective for the 2012-2013 school year and  
4.19 later.

4.20 Sec. 5. Minnesota Statutes 2011 Supplement, section 120B.36, subdivision 1, is  
4.21 amended to read:

4.22 Subdivision 1. **School performance report cards.** (a) The commissioner  
4.23 shall report student academic performance under section 120B.35, subdivision 2; the  
4.24 percentages of students showing low, medium, and high growth under section 120B.35,  
4.25 subdivision 3, paragraph (b); school safety and student engagement and connection  
4.26 under section 120B.35, subdivision 3, paragraph (d); rigorous coursework under section  
4.27 120B.35, subdivision 3, paragraph (c); two separate student-to-teacher ratios that clearly  
4.28 indicate the definition of teacher consistent with sections 122A.06 and 122A.15 for  
4.29 purposes of determining these ratios; staff characteristics excluding salaries; student  
4.30 enrollment demographics; district mobility; and extracurricular activities. The report also  
4.31 must indicate a school's adequate yearly progress status, and must not set any designations  
4.32 applicable to high- and low-performing schools due solely to adequate yearly progress  
4.33 status.

4.34 (b) The commissioner shall develop, annually update, and post on the department  
4.35 Web site school performance report cards as described in paragraph (f).

5.1 (c) The commissioner must make available performance report cards by the  
5.2 beginning of each school year.

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

5.6 (e) School performance report card data are nonpublic data under section 13.02,  
5.7 subdivision 9, until the commissioner publicly releases the data. The commissioner shall  
5.8 annually post school performance report cards to the department's public Web site no later  
5.9 than September 1, except that in years when the report card reflects new performance  
5.10 standards, the commissioner shall post the school performance report cards no later than  
5.11 October 1.

5.12 (f) The commissioner, for each school district and each school required to report  
5.13 under this subdivision, must at least:

5.14 (1) title the commissioner's report "School Performance Report Card";

5.15 (2) display all required information on a single, easily accessible and understandable  
5.16 Web page;

5.17 (3) using longitudinal data to display results over time, compare and display  
5.18 corresponding state and local indicators on student proficiency in reading and math by  
5.19 grade, school and district value-added ratings, the number and percentage of schools and  
5.20 districts making or not making adequate yearly progress by student categories, a state and  
5.21 local growth-based performance index, a school or district identified for improvement  
5.22 and years in improvement status, and state and local attendance and graduation rates  
5.23 by student categories; and

5.24 (4) display any accountability measures or ratings required by federal law or a  
5.25 federally approved waiver of that law.

5.26 **EFFECTIVE DATE.** This section is effective for the 2012-2013 school year and  
5.27 later.

5.28 Sec. 6. Minnesota Statutes 2010, section 122A.61, subdivision 1, is amended to read:

5.29 Subdivision 1. **Staff development revenue.** A district is required to reserve  
5.30 an amount equal to at least two percent of the basic revenue under section 126C.10,  
5.31 subdivision 2, for in-service education for programs under section 120B.22, subdivision  
5.32 2, for staff development plans, including plans for challenging instructional activities  
5.33 and experiences under section 122A.60, and for curriculum development and programs,  
5.34 other in-service education, teachers' workshops, teacher conferences, the cost of  
5.35 substitute teachers staff development purposes, preservice and in-service education for

6.1 special education professionals and paraprofessionals, and other related costs for staff  
 6.2 development efforts. A district may annually waive the requirement to reserve their basic  
 6.3 revenue under this section if a majority vote of the licensed teachers in the district and  
 6.4 a majority vote of the school board agree to a resolution to waive the requirement. A  
 6.5 district in statutory operating debt is exempt from reserving basic revenue according to  
 6.6 this section. Districts may expend an additional amount of unreserved revenue for staff  
 6.7 development based on their needs. ~~With the exception of amounts reserved for staff  
 6.8 development from revenues allocated directly to school sites, the board must initially  
 6.9 allocate 50 percent of the reserved revenue to each school site in the district on a per  
 6.10 teacher basis, which must be retained by the school site until used. The board may  
 6.11 retain 25 percent to be used for district wide staff development efforts. The remaining  
 6.12 25 percent of the revenue must be used to make grants to school sites for best practices  
 6.13 methods. A grant may be used for any purpose authorized under section 120B.22,  
 6.14 subdivision 2, 122A.60, or for the costs of curriculum development and programs, other  
 6.15 in-service education, teachers' workshops, teacher conferences, substitute teachers for  
 6.16 staff development purposes, and other staff development efforts, and determined by  
 6.17 the site professional development team. The site professional development team must  
 6.18 demonstrate to the school board the extent to which staff at the site have met the outcomes  
 6.19 of the program. The board may withhold a portion of initial allocation of revenue if the  
 6.20 staff development outcomes are not being met.~~

6.21 **EFFECTIVE DATE.** This section is effective July 1, 2012.

6.22 **Sec. 7. [123B.022] PROHIBITIONS ON POLITICAL ACTIVITIES BY PUBLIC**  
 6.23 **SCHOOL EMPLOYEES.**

6.24 Local school boards shall develop and implement policies to ensure that publicly  
 6.25 funded resources, including but not limited to time, materials, equipment, facilities, and  
 6.26 e-mail and other forms of technology used to communicate, are not used or authorized  
 6.27 for use by public employees to:

6.28 (1) advocate the election or defeat of any candidate for elective office;

6.29 (2) advocate the passage or defeat of any referendum question; or

6.30 (3) solicit funds for political purposes.

6.31 Such policies shall not prohibit public employees from engaging in political activities  
 6.32 except when they are performing duties assigned to them under their employment contract  
 6.33 with the district or representing their employer in an official capacity.

7.1 Such policies shall not prohibit the use of public funds for disseminating factual  
7.2 information about a proposition appearing on a local ballot, if such information is factual  
7.3 and does not advocate for or against the proposition.

7.4 All school districts must make these policies readily accessible to the public in paper  
7.5 copy at the district office or on the district Web site.

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

7.7 Sec. 8. Minnesota Statutes 2011 Supplement, section 124D.09, subdivision 5, is  
7.8 amended to read:

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

7.15 (b) Notwithstanding any other law to the contrary, a 9th or 10th grade pupil enrolled  
7.16 in a district or an American Indian-controlled tribal contract or grant school eligible for  
7.17 aid under section 124D.83, except a foreign exchange pupil enrolled in a district under a  
7.18 cultural exchange program, may apply to enroll in nonsectarian academic and career and  
7.19 technical courses offered under subdivision 10, if after all 11th and 12th grade students  
7.20 have applied for a course, additional students are necessary to offer the course.

7.21 (c) If an institution accepts a secondary pupil for enrollment under this section, the  
7.22 institution shall send written notice to the pupil, the pupil's school or school district, and  
7.23 the commissioner within ten days of acceptance. The notice must indicate the course  
7.24 and hours of enrollment of that pupil. If the pupil enrolls in a course for postsecondary  
7.25 credit, the institution must notify the pupil about payment in the customary manner used  
7.26 by the institution.

7.27 **EFFECTIVE DATE.** This section is effective for the 2012-2013 school year and  
7.28 later.

7.29 Sec. 9. Minnesota Statutes 2010, section 124D.09, subdivision 9, is amended to read:

7.30 Subd. 9. **Enrollment priority.** A postsecondary institution shall give priority to  
7.31 its postsecondary students when enrolling 11th and 12th grade pupils in its courses. A  
7.32 postsecondary institution may provide information about its programs to a secondary  
7.33 school or to a pupil or parent, ~~but it may not advertise or otherwise recruit or solicit~~

8.1 ~~the participation of secondary pupils to enroll in its programs on financial grounds.~~

8.2 An institution must not enroll secondary pupils, for postsecondary enrollment options  
8.3 purposes, in remedial, developmental, or other courses that are not college level. Once a  
8.4 pupil has been enrolled in a postsecondary course under this section, the pupil shall not  
8.5 be displaced by another student.

8.6 Sec. 10. Minnesota Statutes 2010, section 124D.09, subdivision 10, is amended to read:

8.7 Subd. 10. **Courses according to agreements.** (a) An eligible pupil, according to  
8.8 subdivision 5, may enroll in a nonsectarian academic or career and technical course taught  
8.9 by a secondary teacher or a postsecondary faculty member and offered at a secondary  
8.10 school, or another location, according to an agreement between a public school board and  
8.11 the governing body of an eligible public postsecondary system or an eligible private  
8.12 postsecondary institution, as defined in subdivision 3. All provisions of this section shall  
8.13 apply to a pupil, public school board, district, and the governing body of a postsecondary  
8.14 institution, except as otherwise provided.

8.15 (b) Participating public school boards, districts, and eligible institutions may enter  
8.16 into an academic and career and technical education joint partnership with local or regional  
8.17 businesses or other entrepreneurs to help interested students pursue both academic and  
8.18 career and technical courses leading to an industry credential and a successful transition to  
8.19 postsecondary career and college education.

8.20 **EFFECTIVE DATE.** This section is effective for the 2012-2013 school year and  
8.21 later.

8.22 Sec. 11. Minnesota Statutes 2010, section 124D.09, subdivision 12, is amended to read:

8.23 Subd. 12. **Credits.** ~~A pupil may enroll in a course under this section for either~~  
8.24 ~~secondary credit or postsecondary credit. At the time a pupil enrolls in a course, the pupil~~  
8.25 ~~shall designate whether the course is for secondary or postsecondary credit. A pupil taking~~  
8.26 ~~several courses may designate some for secondary credit and some for postsecondary~~  
8.27 ~~credit. A pupil must not audit a course under this section.~~

8.28 A district shall grant academic credit to a pupil enrolled in a course for secondary  
8.29 credit if the pupil successfully completes the course. Seven quarter or four semester  
8.30 college credits equal at least one full year of high school credit. Fewer college credits may  
8.31 be prorated. A district must also grant academic credit to a pupil enrolled in a course for  
8.32 postsecondary credit if secondary credit is requested by a pupil. If no comparable course is  
8.33 offered by the district, the district must, as soon as possible, notify the commissioner, who  
8.34 shall determine the number of credits that shall be granted to a pupil who successfully

9.1 completes a course. If a comparable course is offered by the district, the school board  
9.2 shall grant a comparable number of credits to the pupil. If there is a dispute between the  
9.3 district and the pupil regarding the number of credits granted for a particular course, the  
9.4 pupil may appeal the board's decision to the commissioner. The commissioner's decision  
9.5 regarding the number of credits shall be final.

9.6 The secondary credits granted to a pupil must be counted toward the graduation  
9.7 requirements and subject area requirements of the district. Evidence of successful  
9.8 completion of each course and secondary credits granted must be included in the pupil's  
9.9 secondary school record. A pupil shall provide the school with a copy of the pupil's grade  
9.10 in each course taken for secondary credit under this section. Upon the request of a pupil,  
9.11 the pupil's secondary school record must also include evidence of successful completion  
9.12 and credits granted for a course taken for postsecondary credit. In either case, the record  
9.13 must indicate that the credits were earned at a postsecondary institution.

9.14 If a pupil enrolls in a postsecondary institution after leaving secondary school, the  
9.15 postsecondary institution must award postsecondary credit for any course successfully  
9.16 completed for secondary credit at that institution. Other postsecondary institutions may  
9.17 award, after a pupil leaves secondary school, postsecondary credit for any courses  
9.18 successfully completed under this section. An institution may not charge a pupil for  
9.19 the award of credit.

9.20 The Board of Trustees of the Minnesota State Colleges and Universities and  
9.21 the Board of Regents of the University of Minnesota must, and private nonprofit and  
9.22 proprietary postsecondary institutions should, award postsecondary credit for any  
9.23 successfully completed courses in a program certified by the National Alliance of  
9.24 Concurrent Enrollment Partnerships offered according to an agreement under subdivision  
9.25 10.

9.26 Sec. 12. Minnesota Statutes 2010, section 124D.09, subdivision 24, is amended to read:

9.27 Subd. 24. **Limit; state obligation.** The provisions of subdivisions 13, 19, and  
9.28 ~~22, and 23~~ shall not apply for any postsecondary courses in which a pupil is enrolled in  
9.29 addition to being enrolled full time in that pupil's district or for any postsecondary course  
9.30 in which a pupil is enrolled for postsecondary credit. The pupil is enrolled full time if  
9.31 the pupil attends credit-bearing classes in the high school or high school program for  
9.32 all of the available hours of instruction.

9.33 **EFFECTIVE DATE.** This section is effective for the 2012-2013 school year and  
9.34 later.

10.1 Sec. 13. Minnesota Statutes 2011 Supplement, section 126C.126, is amended to read:

10.2 **126C.126 REALLOCATING GENERAL EDUCATION REVENUE FOR**  
10.3 **ALL-DAY KINDERGARTEN AND PREKINDERGARTEN.**

10.4 ~~(a) In order to provide additional revenue for an optional all-day kindergarten~~  
10.5 ~~program, a district may reallocate general education revenue attributable to 12th grade~~  
10.6 ~~students who have graduated early under section 120B.07 and who do not participate in~~  
10.7 ~~the early graduation achievement scholarship program under section 120B.08 or the early~~  
10.8 ~~graduation military service award program under section 120B.09.~~

10.9 ~~(b)~~ A school district may spend general education revenue on extended time  
10.10 kindergarten and prekindergarten programs.

10.11 Sec. 14. Minnesota Statutes 2011 Supplement, section 126C.40, subdivision 1, is  
10.12 amended to read:

10.13 Subdivision 1. **To lease building or land.** (a) When an independent or a special  
10.14 school district or a group of independent or special school districts finds it economically  
10.15 advantageous to rent or lease a building or land for any instructional purposes or for  
10.16 school storage or furniture repair, and it determines that the operating capital revenue  
10.17 authorized under section 126C.10, subdivision 13, is insufficient for this purpose, it may  
10.18 apply to the commissioner for permission to make an additional capital expenditure levy  
10.19 for this purpose. An application for permission to levy under this subdivision must contain  
10.20 financial justification for the proposed levy, the terms and conditions of the proposed  
10.21 lease, and a description of the space to be leased and its proposed use.

10.22 (b) The criteria for approval of applications to levy under this subdivision must  
10.23 include: the reasonableness of the price, the appropriateness of the space to the proposed  
10.24 activity, the feasibility of transporting pupils to the leased building or land, conformity  
10.25 of the lease to the laws and rules of the state of Minnesota, and the appropriateness of  
10.26 the proposed lease to the space needs and the financial condition of the district. The  
10.27 commissioner must not authorize a levy under this subdivision in an amount greater than  
10.28 the cost to the district of renting or leasing a building or land for approved purposes.  
10.29 The proceeds of this levy must not be used for custodial or other maintenance services.  
10.30 A district may not levy under this subdivision for the purpose of leasing or renting a  
10.31 district-owned building or site to itself.

10.32 (c) For agreements finalized after July 1, 1997, a district may not levy under this  
10.33 subdivision for the purpose of leasing: (1) a newly constructed building used primarily  
10.34 for regular kindergarten, elementary, or secondary instruction; or (2) a newly constructed  
10.35 building addition or additions used primarily for regular kindergarten, elementary, or

11.1 secondary instruction that contains more than 20 percent of the square footage of the  
11.2 previously existing building.

11.3 (d) Notwithstanding paragraph (b), a district may levy under this subdivision for the  
11.4 purpose of leasing or renting a district-owned building or site to itself only if the amount  
11.5 is needed by the district to make payments required by a lease purchase agreement,  
11.6 installment purchase agreement, or other deferred payments agreement authorized by law,  
11.7 and the levy meets the requirements of paragraph (c). A levy authorized for a district by  
11.8 the commissioner under this paragraph may be in the amount needed by the district to  
11.9 make payments required by a lease purchase agreement, installment purchase agreement,  
11.10 or other deferred payments agreement authorized by law, provided that any agreement  
11.11 include a provision giving the school districts the right to terminate the agreement  
11.12 annually without penalty.

11.13 (e) The total levy under this subdivision for a district for any year must not exceed  
11.14 \$150 times the resident pupil units for the fiscal year to which the levy is attributable.

11.15 (f) For agreements for which a review and comment have been submitted to the  
11.16 Department of Education after April 1, 1998, the term "instructional purpose" as used in  
11.17 this subdivision excludes expenditures on stadiums.

11.18 (g) The commissioner of education may authorize a school district to exceed the  
11.19 limit in paragraph (e) if the school district petitions the commissioner for approval. The  
11.20 commissioner shall grant approval to a school district to exceed the limit in paragraph (e)  
11.21 for not more than five years if the district meets the following criteria:

11.22 (1) the school district has been experiencing pupil enrollment growth in the  
11.23 preceding five years;

11.24 (2) the purpose of the increased levy is in the long-term public interest;

11.25 (3) the purpose of the increased levy promotes colocation of government services;

11.26 and

11.27 (4) the purpose of the increased levy is in the long-term interest of the district by  
11.28 avoiding over construction of school facilities.

11.29 (h) A school district that is a member of an intermediate school district may include  
11.30 in its authority under this section the costs associated with leases of administrative and  
11.31 classroom space for intermediate school district programs. This authority must not exceed  
11.32 \$43 times the adjusted marginal cost pupil units of the member districts. This authority is  
11.33 in addition to any other authority authorized under this section.

11.34 (i) In addition to the allowable capital levies in paragraph (a), for taxes payable in  
11.35 2012, a district that is a member of the "Technology and Information Education Systems"  
11.36 data processing joint board, that finds it economically advantageous to enter into a lease

12.1 agreement to finance improvements to a building for a group of school districts or special  
 12.2 school districts for staff development purposes, may levy for its portion of lease costs  
 12.3 attributed to the district within the total levy limit in paragraph (e). The total levy authority  
 12.4 under this paragraph shall not exceed \$632,000.

12.5 (j) Notwithstanding paragraph (a), a district may levy under this subdivision for the  
 12.6 purpose of leasing administrative space if the district can demonstrate to the satisfaction of  
 12.7 the commissioner that the lease cost for the administrative space is no greater than the  
 12.8 lease cost for instructional space that the district would otherwise lease. The commissioner  
 12.9 must deny this levy authority unless the district passes a resolution stating its intent to  
 12.10 lease instructional space under this section if the commissioner does not grant authority  
 12.11 under this paragraph. The resolution must also certify that the lease cost for administrative  
 12.12 space under this paragraph is no greater than the lease cost for the district's proposed  
 12.13 instructional lease.

12.14 Sec. 15. Minnesota Statutes 2010, section 135A.101, subdivision 1, is amended to read:

12.15 Subdivision 1. **Requirements for participation.** To participate in the postsecondary  
 12.16 enrollment options program, a college or university must abide by the provisions in this  
 12.17 section. The institution may provide information about its programs to a secondary school  
 12.18 or to a pupil or parent, ~~but may not recruit or solicit participation on financial grounds.~~

12.19 Sec. 16. Minnesota Statutes 2010, section 471.975, is amended to read:

12.20 **471.975 MAY PAY DIFFERENTIAL OF RESERVE ON ACTIVE DUTY.**

12.21 (a) Except as provided in paragraph (b), a statutory or home rule charter city, county,  
 12.22 town, or other political subdivision may pay to each eligible member of the National  
 12.23 Guard or other reserve component of the armed forces of the United States an amount  
 12.24 equal to the difference between the member's base active duty military salary and the  
 12.25 salary the member would be paid as an active political subdivision employee, including  
 12.26 any adjustments the member would have received if not on leave of absence. This  
 12.27 payment may be made only to a person whose base active duty military salary is less than  
 12.28 the salary the person would be paid as an active political subdivision employee. Back pay  
 12.29 authorized by this section may be paid in a lump sum. Payment under this section must  
 12.30 not extend beyond four years from the date the employee reported for active service, plus  
 12.31 any additional time the employee may be legally required to serve.

12.32 (b) Subject to the limits under paragraph (g), each school district shall pay to each  
 12.33 eligible member of the National Guard or other reserve component of the armed forces  
 12.34 of the United States an amount equal to the difference between the member's base active

13.1 duty military salary and the salary the member would be paid as an active school district  
13.2 employee, including any adjustments the member would have received if not on leave  
13.3 of absence. The pay differential must be based on a comparison between the member's  
13.4 daily base rate of active duty pay, calculated by dividing the member's base military  
13.5 monthly salary by the number of paid days in the month, and the member's daily rate of  
13.6 pay for the member's school district salary, calculated by dividing the member's total  
13.7 school district salary by the number of contract days. The member's salary as a school  
13.8 district employee must include the member's basic salary and any additional salary the  
13.9 member earns from the school district for cocurricular and extracurricular activities. The  
13.10 differential payment under this paragraph must be the difference between the daily base  
13.11 rates of military pay times the number of school district contract days the member misses  
13.12 because of military active duty. This payment may be made only to a person whose daily  
13.13 base rate of active duty pay is less than the person's daily rate of pay as an active school  
13.14 district employee. Payments may be made at the intervals at which the member received  
13.15 pay as a school district employee. Payment under this section must not extend beyond  
13.16 four years from the date the employee reported for active service, plus any additional time  
13.17 the employee may be legally required to serve.

13.18 (c) An eligible member of the reserve components of the armed forces of the United  
13.19 States is a reservist or National Guard member who was an employee of a political  
13.20 subdivision at the time the member reported for active service on or after May 29, 2003,  
13.21 or who is on active service on May 29, 2003.

13.22 (d) Except as provided in paragraph (e) and elsewhere in Minnesota Statutes, a  
13.23 statutory or home rule charter city, county, town, or other political subdivision has total  
13.24 discretion regarding employee benefit continuation for a member who reports for active  
13.25 service and the terms and conditions of any benefit.

13.26 (e) A school district must continue the employee's enrollment in health and dental  
13.27 coverage, and the employer contribution toward that coverage, until the employee is  
13.28 covered by health and dental coverage provided by the armed forces. If the employee had  
13.29 elected dependent coverage for health or dental coverage as of the time that the employee  
13.30 reported for active service, a school district must offer the employee the option to continue  
13.31 the dependent coverage at the employee's own expense. A school district must permit  
13.32 the employee to continue participating in any pretax account in which the employee  
13.33 participated when the employee reported for active service, to the extent of employee pay  
13.34 available for that purpose.

13.35 (f) For purposes of this section, "active service" has the meaning given in section  
13.36 190.05, subdivision 5, but excludes service performed exclusively for purposes of:

14.1 (1) basic combat training, advanced individual training, annual training, and periodic  
 14.2 inactive duty training;

14.3 (2) special training periodically made available to reserve members; and

14.4 (3) service performed in accordance with section 190.08, subdivision 3.

14.5 (g) ~~A school district making payments under paragraph (b) shall place a sum equal~~  
 14.6 ~~to any difference between the amount of salary that would have been paid to the employee~~  
 14.7 ~~who is receiving the payments and the amount of salary being paid to substitutes for~~  
 14.8 ~~that employee into a special fund that must be used to pay or partially pay the deployed~~  
 14.9 ~~employee's payments under paragraph (b). A school district is required to pay only this~~  
 14.10 ~~amount to the deployed school district employee. When an employee of a school district~~  
 14.11 ~~who, as a member of the National Guard or any other reserve unit of the United States~~  
 14.12 ~~armed forces, reports for active service as defined in section 190.05, subdivision 5, the~~  
 14.13 ~~district must place into a special service member's aggregate salary savings account a sum~~  
 14.14 ~~equal to the positive difference between the amount of salary the district would have paid~~  
 14.15 ~~to the employee and the amount of salary paid to any substitute for the employee's position~~  
 14.16 ~~during the employee's leave for military service. The district must use the combined~~  
 14.17 ~~proceeds in the account only to fully pay, or partially pay in proportionate amounts, the~~  
 14.18 ~~salary differentials of all eligible deployed employees in the district, as determined under~~  
 14.19 ~~paragraph (b). A school district's obligation to make payments under this section is limited~~  
 14.20 ~~to the amount of money in the account.~~

14.21 **EFFECTIVE DATE.** This section is effective July 1, 2012, for school district  
 14.22 employees serving in active military duty on or after that date.

14.23 Sec. 17. Laws 2011, First Special Session chapter 11, article 5, section 11, is amended  
 14.24 to read:

14.25 Sec. 11. **FUND TRANSFER; FISCAL YEARS 2012 ~~AND 2013~~ THROUGH**  
 14.26 **2015 ONLY.**

14.27 (a) Notwithstanding Minnesota Statutes, section 123B.80, subdivision 3, for fiscal  
 14.28 years 2012 ~~and 2013~~ through 2015 only, the commissioner must approve a request for a  
 14.29 fund transfer if the transfer does not increase state aid obligations to the district or result in  
 14.30 additional property tax authority for the district. This section does not permit transfers  
 14.31 from the community service fund or the food service fund.

14.32 (b) A school board may approve a fund transfer under paragraph (a) only after  
 14.33 adopting a resolution stating the fund transfer will not diminish instructional opportunities  
 14.34 for students.

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

15.2 Sec. 18. Laws 2011, First Special Session chapter 11, article 7, section 2, subdivision  
15.3 8, is amended to read:

15.4 Subd. 8. **Early childhood education scholarships.** For grants to early childhood  
15.5 education scholarships for public or private early childhood preschool programs for  
15.6 children ages 3 to 5:

15.7 \$ 4,000,000 ..... 2013

15.8 (a) All children whose parents or legal guardians meet the eligibility requirements  
15.9 of paragraph (b) established by the commissioner are eligible to receive early childhood  
15.10 education scholarships under this section.

15.11 (b) A parent or legal guardian is eligible for an early childhood education  
15.12 scholarship, to be used for a program provider of the parents' or legal guardians' choice, if  
15.13 the parent or legal guardian:

15.14 (1) has a child three or four years of age on September 1, beginning in calendar  
15.15 year 2012; and

15.16 (2)(i) has income equal to or less than 47 percent of the state median income in the  
15.17 current calendar year; or

15.18 (ii) can document their child's identification through another public funding  
15.19 eligibility process, including the Free and Reduced Price Lunch Program, National School  
15.20 Lunch Act, United States Code, title 42, section 1751, part 210; Head Start under federal  
15.21 Improving Head Start for School Readiness Act of 2007; Minnesota family investment  
15.22 program under chapter 256J; and child care assistance programs under chapter 119B.

15.23 (c) Of the amount appropriated under this section, \$250,000 is for a grant to the  
15.24 parent-child home program.

15.25 (d) Each year, the Department of Education must award one-half of the early  
15.26 childhood education scholarship money to parents and legal guardians who reside in the  
15.27 seven-county metropolitan area and the other half to parents and legal guardians who live  
15.28 in greater Minnesota. If any money remains from either half after the initial applications,  
15.29 the commissioner may use that money to make early education scholarships in the  
15.30 other region. If this appropriation is insufficient to provide early childhood education  
15.31 scholarships to all eligible children, the Department of Education shall make scholarships  
15.32 available on a first-come, first-served basis within each of the two geographic regions of  
15.33 the state.

16.1 (e) The commissioner of education shall submit a written report to the education  
16.2 committees of the legislature by January 15, 2012, describing its plan for implementation  
16.3 of scholarships under this subdivision for the 2012-2013 school year.

16.4 (f) Any balance in the first year does not cancel but is available in the second year.

16.5 (g) The base for this program is \$2,000,000 each year.

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

16.7 Sec. 19. **CAREER AND TECHNICAL EDUCATION ADVISORY TASK**  
16.8 **FORCE.**

16.9 (a) A career and technical education advisory task force is established to develop  
16.10 recommendations for better integrating career and technical education into kindergarten  
16.11 through grade 12 curriculum and instruction, improving teachers' ability to help students  
16.12 prepare for college and careers by measures that include increasing the number of  
16.13 teachers with a master's degree in a content area directly related to the teachers'  
16.14 teaching assignment, and successfully meeting 21st century challenges through a more  
16.15 comprehensive approach to kindergarten through grade 12 education that includes  
16.16 expanded work-based learning opportunities and opportunities for 9th and 10th grade  
16.17 students to participate in postsecondary enrollment options under Minnesota Statutes,  
16.18 section 124D.09. The advisory task force must at least examine the role of school  
16.19 administrators, teachers, policy makers, and others in:

16.20 (1) expecting career and technical education to provide students with high levels of  
16.21 skills and academic proficiency;

16.22 (2) using career and technical education to improve students' mathematics scores;

16.23 (3) understanding how the federal No Child Left Behind Act limits a student's ability  
16.24 to pursue career and technical education; and

16.25 (4) remedying the absence of and need for access to tools and equipment to provide  
16.26 students with hands-on learning.

16.27 (b) Advisory task force members must include representatives of the following  
16.28 entities selected by that entity: the Minnesota Association of Career and Technical  
16.29 Administrators; the Minnesota Association for Career and Technical Education; University  
16.30 of Minnesota and Minnesota State Colleges and Universities faculty working to develop  
16.31 career and technical educators in Minnesota; the National Research Center for Career and  
16.32 Technical Education; the Department of Education; the Board of Teaching; the Minnesota  
16.33 Association of Colleges for Teacher Education; and any other representatives selected by  
16.34 the task force members. The education commissioner, or the commissioner's designee,

17.1 must convene the task force. Task force members are not eligible for compensation or  
17.2 reimbursement for expenses related to task force activities.

17.3 (c) The commissioner, upon request, must provide technical assistance to the task  
17.4 force.

17.5 (d) The task force must submit its recommendations under this section to the  
17.6 legislative committees with jurisdiction over kindergarten through grade 12 education by  
17.7 February 15, 2013.

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

17.9 Sec. 20. **REPORT; NO CHILD LEFT BEHIND ACT 2012 WAIVER**  
17.10 **IMPLEMENTATION COST.**

17.11 The commissioner of education must submit to the K-12 education committees of  
17.12 the legislature by February 15, 2013, a written report containing an up-to-date plan for  
17.13 fully implementing the federally approved 2012 No Child Left Behind Act waiver, a  
17.14 summary of state and local costs and all public and nonpublic expenditures to-date related  
17.15 to that implementation, and a projected estimate of all remaining future costs related  
17.16 to fully implementing the federal waiver.

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

17.18 Sec. 21. **APPROPRIATION.**

17.19 Subdivision 1. **Department of Education.** The sums shown are added to or, if  
17.20 shown in parentheses, subtracted from, the appropriations in Laws 2011, First Special  
17.21 Session chapter 11, or any appropriation that replaces those appropriations, to the  
17.22 Department of Education for the purposes specified. The appropriations are from the  
17.23 general fund, or another named fund, and are available for the fiscal years indicated for  
17.24 each purpose.

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

17.27	<u>\$</u>	<u>(340,000)</u>	<u>.....</u>	<u>2012</u>
17.28	<u>\$</u>	<u>(669,000)</u>	<u>.....</u>	<u>2013</u>

17.29 Subd. 3. **Bemidji pupil transportation grant.** For a pupil transportation grant to  
17.30 Independent School District No. 31, Bemidji:

17.31	<u>\$</u>	<u>250,000</u>	<u>.....</u>	<u>2013</u>
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18.1 This is a onetime appropriation.

18.2 Subd. 4. **Department of Education.** For the Department of Education for additional  
18.3 support and staffing related to digital and online learning:

18.4 §            51,000    ..... 2013

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

18.6 Sec. 22. **REPEALER.**

18.7 (a) Minnesota Statutes 2010, section 127A.095, subdivision 3, is repealed.

18.8 (b) Minnesota Statutes 2010, section 124D.09, subdivision 23, is repealed effective  
18.9 for the 2012-2013 school year and later.

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

**124D.09 POSTSECONDARY ENROLLMENT OPTIONS ACT.**

Subd. 23. **Exception; intermediate districts.** A secondary pupil who is a resident of a member district of an intermediate district, as defined in section 136D.01, may not enroll in that intermediate district's vocational program as a postsecondary pupil under this section when the intermediate district operates a secondary program at a college facility and secondary students have access to the postsecondary curriculum and receive high school and college credit for successfully completing the program.

**127A.095 IMPLEMENTATION OF NO CHILD LEFT BEHIND ACT.**

Subd. 3. **Department of Management and Budget certification.** If the federal Department of Education does not transmit to the commissioner of education its approval of the conditions in subdivision 2, paragraph (b), the commissioner of management and budget shall certify and report to the legislature annually beginning January 1, 2008, the amount of federal revenue, if any, that the federal government may withhold as a result of a potential state decision to discontinue implementation of the No Child Left Behind Act. The report shall also specify the intended purpose of the federal revenue and the amount of revenue that the federal government may withhold from the state, each school district, and each charter school in each fiscal year.