

State of Minnesota

HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. **2749**

03/08/2016 Authored by Knoblach, Loon and Nornes

The bill was read for the first time and referred to the Committee on Ways and Means

04/21/2016 Adoption of Report: Placed on the General Register as Amended
Read Second Time

A bill for an act

1.1 relating to state government; conforming buyback level for the budget reserve
 1.2 with the most recent forecast; eliminating obsolete language; providing policy
 1.3 and finance for the Office of Higher Education, the Minnesota State Colleges
 1.4 and Universities, and the University of Minnesota, including programs for
 1.5 student loans, students with disabilities, fetal tissue research, psychiatric
 1.6 drug trials, and collegiate recovery; providing funding and policy for early
 1.7 childhood and family, prekindergarten through grade 12, and adult education,
 1.8 including general education, education excellence, charter schools, special
 1.9 education, early childhood education, self-sufficiency, lifelong learning, and
 1.10 state agencies; appropriating money; requiring reports; amending Minnesota
 1.11 Statutes 2014, sections 120A.22, subdivision 12; 120A.42; 120B.02, by adding
 1.12 a subdivision; 120B.021, subdivisions 1, 3; 120B.11, subdivisions 1a, 2, 5;
 1.13 120B.15; 120B.35; 120B.36, as amended; 121A.53; 121A.61, subdivision
 1.14 1; 121A.64; 122A.07, subdivision 2; 122A.09, subdivision 10, by adding a
 1.15 subdivision; 122A.14, subdivision 9; 122A.16; 122A.18, subdivisions 7c,
 1.16 8; 122A.21, subdivision 1, by adding a subdivision; 122A.245, subdivision
 1.17 8; 122A.31, subdivision 3; 122A.40, subdivision 10; 122A.41, by adding
 1.18 a subdivision; 122A.4144; 122A.416; 122A.42; 122A.72, subdivision 5;
 1.19 123A.24, subdivision 2; 123B.49, subdivision 4; 123B.571, subdivision 2;
 1.20 123B.60, subdivision 1; 123B.71, subdivision 8; 123B.79, subdivisions 5, 8, 9;
 1.21 124D.111, by adding a subdivision; 124D.13, subdivisions 1, 5, 9; 124D.135,
 1.22 subdivisions 5, 7; 124D.15, subdivisions 1, 3a, 15; 124D.16, subdivisions 3,
 1.23 5; 124D.165, as amended; 124D.52, subdivisions 1, 2; 124D.55; 124D.59,
 1.24 by adding a subdivision; 124D.861, subdivision 1, by adding a subdivision;
 1.25 124D.896; 125A.091, subdivision 11; 125A.0942, subdivision 4; 126C.10,
 1.26 subdivision 24; 126C.15, subdivision 3; 126C.40, subdivision 5; 126C.63,
 1.27 subdivision 7; 127A.095; 127A.353, subdivision 4; 127A.41, subdivision 2;
 1.28 127A.45, subdivision 6a; 127A.51; 129C.10, subdivision 1; 136A.01, by adding
 1.29 a subdivision; 136A.101, subdivision 10; 245.92; 245.94; 245.945; 245.95,
 1.30 subdivision 1; 245.97, subdivision 5; Minnesota Statutes 2015 Supplement,
 1.31 sections 16A.152, subdivision 2; 120B.021, subdivision 4; 120B.125; 120B.30,
 1.32 subdivisions 1, 1a; 120B.31, subdivision 4; 122A.21, subdivision 2; 122A.30;
 1.33 122A.414, subdivisions 1, 2, 2b; 122A.415, subdivision 3; 122A.60, subdivision
 1.34 4; 123B.53, subdivision 1; 123B.595, subdivisions 4, 7, 8, 9, 10, 11, by
 1.35 adding a subdivision; 124D.16, subdivision 2; 124D.231, subdivision 2;
 1.36 124D.73, subdivision 4; 124E.05, subdivisions 4, 5, 7; 124E.10, subdivisions
 1.37 1, 5; 124E.16, subdivision 2; 125A.08; 125A.083; 125A.0942, subdivision
 1.38 3; 125A.11, subdivision 1; 125A.21, subdivision 3; 125A.63, subdivision 4;
 1.39

2.1 125A.76, subdivision 2c; 125A.79, subdivision 1; 126C.10, subdivisions 1, 13a;
 2.2 126C.15, subdivisions 1, 2; 126C.48, subdivision 8; 127A.05, subdivision 6;
 2.3 127A.47, subdivision 7; 136A.121, subdivision 7a; 136A.125, subdivisions 2, 4;
 2.4 136A.1791, subdivisions 4, 5, 6; 136A.87; 136F.302, subdivision 1; Laws 2010,
 2.5 chapter 396, section 7; Laws 2011, First Special Session chapter 11, article 4,
 2.6 section 8; Laws 2012, chapter 263, section 1, as amended; Laws 2013, chapter
 2.7 116, article 7, section 19, as amended; Laws 2015, chapter 69, article 1, sections
 2.8 3, subdivision 28; 5, subdivision 2; article 3, section 20, subdivision 15; Laws
 2.9 2015, First Special Session chapter 3, article 1, section 27, subdivisions 2, 4,
 2.10 5, 6, 7, 9; article 2, section 70, subdivisions 2, 3, 4, 5, 6, 7, 11, 12; article 3,
 2.11 section 15, subdivision 3; article 4, sections 4; 9, subdivision 2; article 5, section
 2.12 30, subdivisions 2, 3, 5; article 6, section 13, subdivisions 2, 3, 6, 7; article 7,
 2.13 section 7, subdivisions 2, 3, 4; article 9, section 8, subdivisions 5, 6, 7, 9; article
 2.14 10, section 3, subdivision 2; article 11, section 3, subdivisions 2, 3; article 12,
 2.15 section 4; proposing coding for new law in Minnesota Statutes, chapters 119A;
 2.16 122A; 124D; 127A; 129C; 136A; 136F; 137; 181; repealing Minnesota Statutes
 2.17 2014, sections 120B.299, subdivision 5; 122A.40, subdivision 11; 122A.41,
 2.18 subdivision 14; 122A.413, subdivision 3; 122A.74; 123B.60, subdivision 2;
 2.19 123B.79, subdivisions 2, 6; Minnesota Statutes 2015 Supplement, section
 2.20 122A.413, subdivisions 1, 2; Minnesota Rules, part 3535.0110, subparts 6, 7, 8.

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

2.22 **ARTICLE 1**

2.23 **STATE FINANCES**

2.24 Section 1. Minnesota Statutes 2015 Supplement, section 16A.152, subdivision 2,
 2.25 is amended to read:

2.26 Subd. 2. **Additional revenues; priority.** (a) If on the basis of a forecast of general
 2.27 fund revenues and expenditures, the commissioner of management and budget determines
 2.28 that there will be a positive unrestricted budgetary general fund balance at the close of
 2.29 the biennium, the commissioner of management and budget must allocate money to the
 2.30 following accounts and purposes in priority order:

2.31 (1) the cash flow account established in subdivision 1 until that account reaches
 2.32 \$350,000,000;

2.33 (2) the budget reserve account established in subdivision 1a until that account
 2.34 reaches ~~\$810,992,000~~ \$1,596,522,000;

2.35 (3) the amount necessary to increase the aid payment schedule for school district
 2.36 aids and credits payments in section 127A.45 to not more than 90 percent rounded to the
 2.37 nearest tenth of a percent without exceeding the amount available and with any remaining
 2.38 funds deposited in the budget reserve; and

2.39 (4) the amount necessary to restore all or a portion of the net aid reductions under
 2.40 section 127A.441 and to reduce the property tax revenue recognition shift under section
 2.41 123B.75, subdivision 5, by the same amount;.

3.1 ~~(5) the closed landfill investment fund established in section 115B.421 until~~
 3.2 ~~\$63,215,000 has been transferred into the account. This clause expires after the entire~~
 3.3 ~~amount of the transfer has been made; and~~

3.4 ~~(6) the metropolitan landfill contingency action trust account established in section~~
 3.5 ~~473.845 until \$8,100,000 has been transferred into the account. This clause expires after~~
 3.6 ~~the entire amount of the transfer has been made.~~

3.7 (b) The amounts necessary to meet the requirements of this section are appropriated
 3.8 from the general fund within two weeks after the forecast is released or, in the case of
 3.9 transfers under paragraph (a), clauses (3) and (4), as necessary to meet the appropriations
 3.10 schedules otherwise established in statute.

3.11 (c) The commissioner of management and budget shall certify the total dollar
 3.12 amount of the reductions under paragraph (a), clauses (3) and (4), to the commissioner of
 3.13 education. The commissioner of education shall increase the aid payment percentage and
 3.14 reduce the property tax shift percentage by these amounts and apply those reductions to
 3.15 the current fiscal year and thereafter.

3.16 ARTICLE 2

3.17 OFFICE OF HIGHER EDUCATION

3.18 Section 1. Minnesota Statutes 2014, section 136A.01, is amended by adding a
 3.19 subdivision to read:

3.20 Subd. 4. Management of programs. (a) The commissioner may retain up to five
 3.21 percent of the amount appropriated to the office for a program or pass-through grant if:

3.22 (1) the program or grant is first established on or after January 1, 2016; and

3.23 (2) the appropriation does not specify an amount for administrative costs.

3.24 (b) The amount retained under paragraph (a) is appropriated to the commissioner and
 3.25 must be used for the costs of administering and monitoring programs and pass-through
 3.26 grants established on or after January 1, 2016.

3.27 Sec. 2. [136A.0412] RECEIPT OF DONATIONS; MONEY; GRANTS.

3.28 The commissioner may accept donations, grants, bequests, and other funds to carry
 3.29 out the purposes of section 136A.01. A donation, nonfederal grant, bequest, or other fund
 3.30 received by the commissioner is deposited in an account in the special revenue fund.

3.31 Funds in the account are appropriated to the commissioner for the purpose for which they
 3.32 were granted and are available until expended.

4.1 Sec. 3. Minnesota Statutes 2015 Supplement, section 136A.121, subdivision 7a,
4.2 is amended to read:

4.3 Subd. 7a. **Surplus appropriation.** If the amount appropriated is determined by the
4.4 office to be more than sufficient to fund projected grant demand in the second year of the
4.5 biennium, the office may increase the living and miscellaneous expense allowance ~~or the~~
4.6 ~~tuition and fee maximums~~ in the second year of the biennium by up to an amount that
4.7 retains sufficient appropriations to fund the projected grant demand. The adjustment may
4.8 be made one or more times. In making the determination that there are more than sufficient
4.9 funds, the office shall balance the need for sufficient resources to meet the projected
4.10 demand for grants with the goal of fully allocating the appropriation for state grants. An
4.11 increase in the living and miscellaneous expense allowance under this subdivision does
4.12 not carry forward into a subsequent biennium.

4.13 Sec. 4. Minnesota Statutes 2015 Supplement, section 136A.125, subdivision 2, is
4.14 amended to read:

4.15 Subd. 2. **Eligible students.** (a) An applicant is eligible for a child care grant if
4.16 the applicant:

4.17 (1) is a resident of the state of Minnesota or the applicant's spouse is a resident
4.18 of the state of Minnesota;

4.19 (2) has a child 12 years of age or younger, or 14 years of age or younger who is
4.20 disabled as defined in section 125A.02, and who is receiving or will receive care on a
4.21 regular basis from a licensed or legal, nonlicensed caregiver;

4.22 (3) is income eligible as determined by the office's policies and rules, but is not a
4.23 recipient of assistance from the Minnesota family investment program;

4.24 (4) either has not earned a baccalaureate degree and has been enrolled full time less
4.25 than eight semesters or the equivalent, or has earned a baccalaureate degree and has been
4.26 enrolled full time less than eight semesters or the equivalent in a graduate or professional
4.27 degree program;

4.28 (5) is pursuing a nonsectarian program or course of study that applies to an
4.29 undergraduate, graduate, or professional degree, diploma, or certificate;

4.30 (6) is enrolled in at least ~~half time~~ six credits in an undergraduate program or one
4.31 credit in a graduate or professional program in an eligible institution; and

4.32 (7) is in good academic standing and making satisfactory academic progress.

4.33 (b) A student who withdraws from enrollment for active military service after
4.34 December 31, 2002, because the student was ordered to active military service as defined
4.35 in section 190.05, subdivision 5b or 5c, or for a major illness, while under the care of a

5.1 medical professional, that substantially limits the student's ability to complete the term
5.2 is entitled to an additional semester or the equivalent of grant eligibility and will be
5.3 considered to be in continuing enrollment status upon return.

5.4 Sec. 5. Minnesota Statutes 2015 Supplement, section 136A.125, subdivision 4, is
5.5 amended to read:

5.6 Subd. 4. **Amount and length of grants.** (a) The amount of a child care grant
5.7 must be based on:

5.8 (1) the income of the applicant and the applicant's spouse;

5.9 (2) the number in the applicant's family, as defined by the office; and

5.10 (3) the number of eligible children in the applicant's family.

5.11 (b) The maximum award to the applicant shall be \$2,800 for each eligible child per
5.12 academic year, except that the campus financial aid officer may apply to the office for
5.13 approval to increase grants by up to ten percent to compensate for higher market charges
5.14 for infant care in a community. The office shall develop policies to determine community
5.15 market costs and review institutional requests for compensatory grant increases to ensure
5.16 need and equal treatment. The office shall prepare a chart to show the amount of a grant
5.17 that will be awarded per child based on the factors in this subdivision. The chart shall
5.18 include a range of income and family size.

5.19 (c) Applicants with family incomes at or below a percentage of the federal poverty
5.20 level, as determined by the commissioner, will qualify for the maximum award. The
5.21 commissioner shall attempt to set the percentage at a level estimated to fully expend the
5.22 available appropriation for child care grants. Applicants with family incomes exceeding
5.23 that threshold will receive the maximum award minus ten percent of their income
5.24 exceeding that threshold. If the result is less than zero, the grant is zero.

5.25 (d) The academic year award amount must be disbursed by academic term using the
5.26 following formula:

5.27 (1) the academic year amount described in paragraph (b);

5.28 (2) divided by the number of terms in the academic year;

5.29 (3) divided by 15 for undergraduate students and six for graduate and professional
5.30 students; and

5.31 (4) multiplied by the number of credits for which the student is enrolled that
5.32 academic term, up to 15 credits for undergraduate students and six for graduate and
5.33 professional students.

6.1 (e) Payments shall be made each academic term to the student or to the child care
6.2 provider, as determined by the institution. Institutions may make payments more than
6.3 once within the academic term.

6.4 Sec. 6. Minnesota Statutes 2015 Supplement, section 136A.1791, subdivision 4,
6.5 is amended to read:

6.6 Subd. 4. **Application for loan forgiveness.** Each applicant for loan forgiveness,
6.7 according to rules adopted by the commissioner, shall:

6.8 (1) apply for teacher shortage loan forgiveness and promptly submit any additional
6.9 information required by the commissioner; and

6.10 ~~(2) annually reapply for up to five consecutive school years and submit information~~
6.11 ~~the commissioner requires to determine the applicant's continued eligibility for loan~~
6.12 ~~forgiveness; and~~

6.13 ~~(3)~~ (2) submit to the commissioner a completed affidavit, prescribed by the
6.14 commissioner, affirming the teacher is teaching in: (i) a licensure field and in identified by
6.15 the commissioner as experiencing a teacher shortage; or (ii) an economic development
6.16 region identified by the commissioner as experiencing a teacher shortage.

6.17 Sec. 7. Minnesota Statutes 2015 Supplement, section 136A.1791, subdivision 5,
6.18 is amended to read:

6.19 Subd. 5. **Amount of loan forgiveness.** (a) To the extent funding is available, the
6.20 annual amount of teacher shortage loan forgiveness for an approved applicant shall not
6.21 exceed \$1,000 or the cumulative balance of the applicant's qualified educational loans,
6.22 including principal and interest, whichever amount is less.

6.23 (b) Recipients must secure their own qualified educational loans. Teachers who
6.24 graduate from an approved teacher preparation program or teachers who add a licensure
6.25 field, consistent with the teacher shortage requirements of this section, are eligible to
6.26 apply for the loan forgiveness program.

6.27 (c) No teacher shall receive more than five annual awards.

6.28 Sec. 8. Minnesota Statutes 2015 Supplement, section 136A.1791, subdivision 6,
6.29 is amended to read:

6.30 Subd. 6. **Disbursement.** (a) The commissioner must make annual disbursements
6.31 directly to the participant of the amount for which a participant is eligible, for each year
6.32 that a participant is eligible.

7.1 (b) Within 60 days of receipt of a the disbursement date, the participant must provide
 7.2 the commissioner with verification that the full amount of loan repayment disbursement
 7.3 has been applied toward the designated loans. A participant that previously received
 7.4 funds under this section but has not provided the commissioner with such verification
 7.5 is not eligible to receive additional funds.

7.6 Sec. 9. **[136A.1792] PROMOTION OF FEDERAL LOAN FORGIVENESS**
 7.7 **PROGRAMS.**

7.8 Subdivision 1. Definitions. (a) For the purposes of this section, the following terms
 7.9 have the meanings given.

7.10 (b) "Federal loan forgiveness program" means a loan forgiveness program offered
 7.11 under Code of Federal Regulations, title 34, part 685.

7.12 (c) "Public service loan forgiveness program" means the loan forgiveness program
 7.13 offered under Code of Federal Regulations, title 34, part 685, section 219.

7.14 (d) "Public service organization" means a public service organization under Code of
 7.15 Federal Regulations, title 34, part 685, section 219.

7.16 Subd. 2. Promotion of federal loan forgiveness programs. (a) The commissioner
 7.17 must develop and distribute informational materials designed to increase awareness of
 7.18 federal loan forgiveness programs among Minnesota residents who are eligible for such
 7.19 programs. At a minimum, the commissioner must develop and distribute informational
 7.20 materials that public service organizations may use to promote awareness of the federal
 7.21 public service loan forgiveness program, including:

7.22 (1) a one-page letter addressed to individuals who may be eligible for the public
 7.23 service loan forgiveness program that briefly summarizes the program, provides
 7.24 information on what an eligible individual must do in order to participate, and recommends
 7.25 that they contact their student loan servicer or servicers for additional information;

7.26 (2) a detailed fact sheet describing the public service loan forgiveness program; and

7.27 (3) a document containing answers to frequently asked questions about the public
 7.28 service loan forgiveness program.

7.29 (b) In place of developing and publishing an informational document required under
 7.30 paragraph (a), the commissioner may distribute a document published by a federal agency
 7.31 that meets the requirements of paragraph (a).

7.32 Subd. 3. Publication of informational materials. The commissioner must make
 7.33 the informational materials required under subdivision 2 available on the office's Web
 7.34 site and must verify each biennium that the informational materials contain current

8.1 information. The commissioner must update and correct any informational materials that
8.2 the commissioner finds to be inaccurate or outdated.

8.3 Sec. 10. Minnesota Statutes 2015 Supplement, section 136A.87, is amended to read:

8.4 **136A.87 PLANNING INFORMATION FOR POSTSECONDARY**
8.5 **EDUCATION.**

8.6 (a) The office shall make available to all residents beginning in 7th grade through
8.7 adulthood information about planning and preparing for postsecondary opportunities.
8.8 Information must be provided to all 7th grade students and their parents annually
8.9 by September 30 about planning for their postsecondary education. The office may
8.10 also provide information to high school students and their parents, to adults, and to
8.11 out-of-school youth.

8.12 (b) The office shall gather and share information with students and parents about
8.13 the dual credit acceptance policies of each Minnesota public and private college and
8.14 university. The office shall gather and share information related to the acceptance policies
8.15 for concurrent enrollment courses, postsecondary enrollment options courses, advanced
8.16 placement courses, and international baccalaureate courses. This information must be
8.17 shared on the office's Web site and included in the information under paragraph (a).

8.18 (c) The information provided under paragraph (a) may include the following:

8.19 (1) the need to start planning early;

8.20 (2) the availability of assistance in educational planning from educational institutions
8.21 and other organizations;

8.22 (3) suggestions for studying effectively during high school;

8.23 (4) high school courses necessary to be adequately prepared for postsecondary
8.24 education;

8.25 (5) encouragement to involve parents actively in planning for all phases of education;

8.26 (6) information about postsecondary education and training opportunities existing
8.27 in the state, their respective missions and expectations for students, their preparation
8.28 requirements, admission requirements, and student placement;

8.29 (7) ways to evaluate and select postsecondary institutions;

8.30 (8) the process of transferring credits among Minnesota postsecondary institutions
8.31 and systems;

8.32 (9) the costs of postsecondary education and the availability of financial assistance
8.33 in meeting these costs, including specific information about the Minnesota Promise;

8.34 (10) the interrelationship of assistance from student financial aid, public assistance,
8.35 and job training programs; and

9.1 (11) financial planning for postsecondary education.

9.2 **EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and
 9.3 later.

9.4 Sec. 11. **[181.987] DISCLOSURE OF ELIGIBILITY FOR STUDENT LOAN**
 9.5 **FORGIVENESS.**

9.6 **Subdivision 1. Definitions.** (a) For the purposes of this section, the following terms
 9.7 have the meanings given.

9.8 (b) "Employer" means an organization, agency, or entity that is a public service
 9.9 organization under Code of Federal Regulations, title 34, part 685, section 219, provided
 9.10 that the following are not employers:

9.11 (1) a federal or tribal government organization, agency, or entity; and

9.12 (2) a tribal college or university.

9.13 (c) "Employment certification form" means the form used by the United States
 9.14 Department of Education to certify an individual's employment at a public service
 9.15 organization for the purposes of the federal public service loan forgiveness program.

9.16 (d) "Federal public service loan forgiveness program" means the program offered
 9.17 under Code of Federal Regulations, title 34, part 685, section 219.

9.18 **Subd. 2. Disclosure of eligibility for student loan forgiveness.** (a) An employer
 9.19 must provide an employee with information about the employee's potential eligibility
 9.20 for the federal public service loan forgiveness program. An employer must annually
 9.21 provide to each employee in written or electronic form the one-page letter, fact sheet,
 9.22 and frequently asked questions required under section 136A.1792, subdivision 2. An
 9.23 employer must provide a newly hired employee with that information within two weeks of
 9.24 the employee's first day of employment.

9.25 (b) At an employee's request, an employer must provide the employee with a copy
 9.26 of the employment certification form.

9.27 **EFFECTIVE DATE.** This section is effective January 1, 2017. An employer must
 9.28 provide information to current employees, as required by subdivision 2, by January 15,
 9.29 2017.

9.30 Sec. 12. Laws 2015, chapter 69, article 3, section 20, subdivision 15, is amended to read:

9.31 Subd. 15. **Reporting.** (a) A college must report to the commissioner the following
 9.32 information:

9.33 (1) the number of grantees and their race, gender, and ethnicity;

- 10.1 (2) grantee persistence and completion;
 10.2 (3) employment outcomes; and
 10.3 (4) other information requested by the commissioner.

10.4 (b) The commissioner shall report ~~annually~~ by January 15, 2017, and January 15,
 10.5 2018, to the chairs and ranking minority members of the legislative committees with
 10.6 jurisdiction over higher education finance by college and in aggregate on the information
 10.7 submitted to the commissioner under paragraph (a). The commissioner may include in the
 10.8 report recommendations for changes in the grant program.

10.9 Sec. 13. **MNSCU TWO-YEAR COLLEGE PROGRAM; ADMINISTRATIVE**
 10.10 **COSTS.**

10.11 The appropriation made by Laws 2015, chapter 69, article 1, section 3, subdivision
 10.12 18, paragraph (c), for fiscal year 2017 for information technology and administrative costs
 10.13 is available on the effective date of this section and until June 30, 2017.

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

10.15 **ARTICLE 3**

10.16 **MNSCU PILOT PROGRAM; STUDENTS WITH DISABILITIES**

10.17 Section 1. Minnesota Statutes 2014, section 136A.101, subdivision 10, is amended to
 10.18 read:

10.19 Subd. 10. **Satisfactory academic progress.** "Satisfactory academic progress"
 10.20 means satisfactory academic progress as defined under Code of Federal Regulations, title
 10.21 34, sections 668.16(e), 668.32(f), and 668.34, except that a student with an intellectual
 10.22 disability as defined in Code of Federal Regulations, title 34, section 668.231, enrolled
 10.23 in an approved comprehensive transition and postsecondary program under that section
 10.24 is subject to the institution's published satisfactory academic process standards for that
 10.25 program as approved by the Office of Higher Education.

10.26 Sec. 2. **MNSCU PROGRAM FOR STUDENTS WITH INTELLECTUAL AND**
 10.27 **DEVELOPMENTAL DISABILITIES; PLAN REQUIRED.**

10.28 Subdivision 1. **Development of plan required.** The Board of Trustees of the
 10.29 Minnesota State Colleges and Universities must develop a plan for offering an academic
 10.30 program for students with intellectual and developmental disabilities, consistent with the
 10.31 principles established in subdivisions 2 to 4.

11.1 Subd. 2. **Program locations.** The plan developed must assume the program will be
11.2 offered at up to four college or university campuses chosen based on (1) their ability to
11.3 offer a robust program using existing facilities and resources and (2) a goal to provide the
11.4 program in diverse geographic regions of the state.

11.5 Subd. 3. **Enrollment and admission.** The plan developed must assume an
11.6 enrollment goal for each campus's program of at least ten incoming students per academic
11.7 year. The plan may allow for students to be admitted based on an application process
11.8 that includes an in-person interview; an independent assessment of an applicant's
11.9 interest, motivation, and likelihood of success in the program; and any other eligibility
11.10 requirements established by the board. Upon successful completion, a student must be
11.11 awarded a certificate, diploma, or other appropriate academic credential.

11.12 Subd. 4. **Curriculum and activities.** (a) The plan developed must assume a
11.13 program that provides an inclusive, two-year full-time residential college experience
11.14 for students with intellectual and developmental disabilities. The required curriculum
11.15 must include core courses that develop life skills, financial literacy, and the ability to
11.16 live independently; rigorous academic work in a student's chosen field of study; and an
11.17 internship, apprenticeship, or other skills-based experience to prepare for meaningful
11.18 employment upon completion of the program.

11.19 (b) In addition to academic requirements, the plan developed must allow
11.20 participating students the opportunity to engage fully in campus life. Program activities
11.21 must include but are not limited to (1) the establishment of on-campus mentoring and
11.22 peer support communities and (2) opportunities for personal growth through leadership
11.23 development and other community engagement activities.

11.24 (c) A participating campus may tailor its program curriculum and activities to
11.25 highlight academic programs, student and community life experiences, and employment
11.26 opportunities unique to that campus or the region of the state where the campus is located.

11.27 Subd. 5. **Report to legislature.** The board must submit a report on the plan required
11.28 to be developed by this section to the chairs and ranking minority members of the
11.29 committees of the legislature with jurisdiction over higher education finance and policy and
11.30 human services finance and policy no later than January 15, 2017. The report must describe
11.31 program plans, including strategies for recruitment of applicants, and strategies to address
11.32 anticipated program needs that cannot be filled using existing campus or system resources.

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

ARTICLE 4

FETAL TISSUE RESEARCH

Section 1. [137.45] FETAL TISSUE RESEARCH PRACTICES.

Subdivision 1. Institutional review board; approval of research. An individual conducting research at the University of Minnesota must obtain approval from the university's institutional review board or stem cell oversight committee before conducting research using fetal tissue. The institutional review board or oversight committee must, in its approval process, consider whether nonhuman tissue would be sufficient for the study.

Subd. 2. Identification of fetal tissue available due to natural death. The dean of the university's medical school shall attempt to identify sources for procurement of fetal tissues that are available due to the natural death of the fetus and are suitable for use in academic research. The dean shall consider engaging an outside consultant to attempt to identify such sources. When appropriate sources are identified, the dean must make recommendations to the Board of Regents for updates to university policies and procedures to encourage use of these sources in all university research activities where fetal tissue is requested to be used. Sources that are identified shall be submitted to the Association of American Medical Colleges.

Subd. 3. Legislative report. (a) No later than January 15, 2017, the Board of Regents must submit a report to the legislature. The report must be submitted to the chairs and ranking minority members of the committees of the legislature with jurisdiction over higher education policy and finance and health and human services policy and finance and must describe:

(1) all suitable sources for procurement of fetal tissue that are identified under subdivision 2;

(2) any recommended updates to university policies and procedures after identification of suitable sources under subdivision 2, and if so, whether those recommended updates were adopted by the Board of Regents; and

(3) a list of:

(i) all approvals made in the previous year by an institutional review board or stem cell oversight committee for the use of fetal tissue; and

(ii) all research continuing on fetal tissue from research that began in a previous year.

(b) The list provided under paragraph (a), clause (3), must identify, for each research activity, the source of funding for the research; the goal or purpose of the research; the source of the fetal tissue used in the research; references to any publicly available information about the research, including but not limited to grant award information from

13.1 the National Institutes of Health; and references to any publications resulting from the
13.2 research.

13.3 Subd. 4. **Definition.** As used in this section and section 137.46, "fetal tissue" means
13.4 any part of an unborn child or fetus, including a body part, cell, tissue, or organ.

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

13.6 Sec. 2. **[137.46] INSTITUTIONAL REVIEW BOARD OVERSIGHT**
13.7 **ACTIVITIES.**

13.8 The Board of Regents shall:

13.9 (1) further develop and clarify existing university policies and procedures related
13.10 to the lawful and ethical treatment of human subjects and fetal tissue in research
13.11 activities, including enhancement of applicable penalties for violation of these policies
13.12 and procedures;

13.13 (2) institute a system of frequent, random, unannounced inspections and audits of
13.14 research activities involving fetal tissue to verify compliance with applicable federal and
13.15 state laws, university policies and procedures, and other professional standards related to
13.16 purchasing, handling, and disposing of fetal tissue;

13.17 (3) conduct education and outreach programs, including instituting a required
13.18 comprehensive training program, on applicable federal and state laws, university policies
13.19 and procedures, and other professional standards related to the respectful, humane, and
13.20 ethical treatment of human subjects and fetal tissue in research, for all students and
13.21 employees engaged in these activities; and

13.22 (4) establish an anonymous reporting system to receive complaints of activities that
13.23 may violate applicable federal and state laws, university policies and procedures, and
13.24 other professional standards in research involving human subjects and fetal tissue by the
13.25 university, university students or employees, or any other person engaged in research
13.26 activities in university facilities.

13.27 Sec. 3. **UNIVERSITY OF MINNESOTA FETAL TISSUE RESEARCH;**
13.28 **LEGISLATIVE AUDITOR REVIEW.**

13.29 (a) The legislative auditor is requested to complete a comprehensive review of
13.30 the use of fetal tissue in research activities at the University of Minnesota. The review
13.31 must include:

13.32 (1) the total number of research activities in which fetal tissue is currently or has been
13.33 previously used, including those that are in progress and those that have been completed;

14.1 (2) the cost of acquiring fetal tissues for use in research activities, itemized by the
 14.2 source of funds used for procurement, including funds from federal, state, and other public
 14.3 sources, and funds derived from student tuition and fees;

14.4 (3) the extent to which the conduct of the research activities complies with
 14.5 applicable federal and state laws related to acquisition, sale, handling, and disposition
 14.6 of human tissues, including fetal tissues;

14.7 (4) the extent to which the conduct of the research activities complies with
 14.8 applicable Board of Regents policies and procedures related to acquisition, sale, handling,
 14.9 and disposition of human tissues, including fetal tissues; and

14.10 (5) whether applicable Board of Regents policies include provisions to ensure fetal
 14.11 tissue is used in research activities only when necessary, and to ensure that the research
 14.12 activities are conducted in an ethical manner, including whether procedures and protocols
 14.13 for oversight have been implemented to verify compliance with these policies.

14.14 (b) As used in this section, "research activities" include any academic fetal tissue
 14.15 research or fetal tissue transplantation research activity or program conducted in a
 14.16 University of Minnesota facility, or that is supported, directly or indirectly, by University
 14.17 of Minnesota funds.

14.18 **EFFECTIVE DATE.** This section is effective the day following final enactment.
 14.19 The legislative auditor is requested to complete the review no later than 60 days following
 14.20 final enactment.

14.21 **ARTICLE 5**

14.22 **MONITORING OF PSYCHIATRIC DRUG TRIALS**

14.23 Section 1. Minnesota Statutes 2014, section 245.92, is amended to read:

14.24 **245.92 OFFICE OF OMBUDSMAN; CREATION; QUALIFICATIONS;** 14.25 **FUNCTION.**

14.26 The ombudsman for persons receiving services or treatment for mental illness,
 14.27 developmental disabilities, chemical dependency, or emotional disturbance shall promote
 14.28 the highest attainable standards of treatment, competence, efficiency, and justice. The
 14.29 ombudsman may gather information and data about decisions, acts, and other matters of an
 14.30 agency, facility, or program, and shall monitor the treatment of individuals participating in
 14.31 a University of Minnesota Department of Psychiatry clinical drug trial. The ombudsman
 14.32 is appointed by the governor, serves in the unclassified service, and may be removed only
 14.33 for just cause. The ombudsman must be selected without regard to political affiliation and
 14.34 must be a person who has knowledge and experience concerning the treatment, needs,

15.1 and rights of clients, and who is highly competent and qualified. No person may serve as
15.2 ombudsman while holding another public office.

15.3 Sec. 2. Minnesota Statutes 2014, section 245.94, is amended to read:

15.4 **245.94 POWERS OF OMBUDSMAN; REVIEWS AND EVALUATIONS;**
15.5 **RECOMMENDATIONS.**

15.6 Subdivision 1. **Powers.** (a) The ombudsman may prescribe the methods by which
15.7 complaints to the office are to be made, reviewed, and acted upon. The ombudsman may
15.8 not levy a complaint fee.

15.9 (b) The ombudsman may mediate or advocate on behalf of a client.

15.10 (c) The ombudsman may investigate the quality of services provided to clients and
15.11 determine the extent to which quality assurance mechanisms within state and county
15.12 government work to promote the health, safety, and welfare of clients, other than clients
15.13 in acute care facilities who are receiving services not paid for by public funds. The
15.14 ombudsman is a health oversight agency as defined in Code of Federal Regulations,
15.15 title 45, section 164.501.

15.16 (d) At the request of a client, or upon receiving a complaint or other information
15.17 affording reasonable grounds to believe that the rights of a client who is not capable
15.18 of requesting assistance have been adversely affected, the ombudsman may gather
15.19 information and data about and analyze, on behalf of the client, the actions of an agency,
15.20 facility, or program.

15.21 (e) The ombudsman may gather, on behalf of a client, records of an agency, facility,
15.22 or program, or records related to clinical drug trials from the University of Minnesota
15.23 Department of Psychiatry, if the records relate to a matter that is within the scope of the
15.24 ombudsman's authority. If the records are private and the client is capable of providing
15.25 consent, the ombudsman shall first obtain the client's consent. The ombudsman is
15.26 not required to obtain consent for access to private data on clients with developmental
15.27 disabilities. The ombudsman is not required to obtain consent for access to private data
15.28 on decedents who were receiving services for mental illness, developmental disabilities,
15.29 or emotional disturbance. All data collected, created, received, or maintained by the
15.30 ombudsman are governed by chapter 13 and other applicable law.

15.31 (f) Notwithstanding any law to the contrary, the ombudsman may subpoena a person
15.32 to appear, give testimony, or produce documents or other evidence that the ombudsman
15.33 considers relevant to a matter under inquiry. The ombudsman may petition the appropriate
15.34 court in Ramsey County to enforce the subpoena. A witness who is at a hearing or is part
15.35 of an investigation possesses the same privileges that a witness possesses in the courts or

16.1 under the law of this state. Data obtained from a person under this paragraph are private
16.2 data as defined in section 13.02, subdivision 12.

16.3 (g) The ombudsman may, at reasonable times in the course of conducting a review,
16.4 enter and view premises within the control of an agency, facility, or program.

16.5 (h) The ombudsman may attend Department of Human Services Review Board
16.6 and Special Review Board proceedings; proceedings regarding the transfer of patients
16.7 or residents, as defined in section 246.50, subdivisions 4 and 4a, between institutions
16.8 operated by the Department of Human Services; and, subject to the consent of the affected
16.9 client, other proceedings affecting the rights of clients. The ombudsman is not required to
16.10 obtain consent to attend meetings or proceedings and have access to private data on clients
16.11 with developmental disabilities.

16.12 (i) The ombudsman shall gather data of agencies, facilities, or programs classified
16.13 as private or confidential as defined in section 13.02, subdivisions 3 and 12, regarding
16.14 services provided to clients with developmental disabilities.

16.15 (j) To avoid duplication and preserve evidence, the ombudsman shall inform
16.16 relevant licensing or regulatory officials before undertaking a review of an action of
16.17 the facility or program.

16.18 (k) The ombudsman shall monitor the treatment of individuals participating in
16.19 a University of Minnesota Department of Psychiatry clinical drug trial and ensure that
16.20 all protections for human subjects required by federal law and the Institutional Review
16.21 Board are provided.

16.22 (l) Sections 245.91 to 245.97 are in addition to other provisions of law under which
16.23 any other remedy or right is provided.

16.24 Subd. 2. **Matters appropriate for review.** (a) In selecting matters for review by the
16.25 office, the ombudsman shall give particular attention to unusual deaths or injuries of a
16.26 client or reports of emergency use of manual restraint as identified in section 245D.061,
16.27 served by an agency, facility, or program, or actions of an agency, facility, or program that:

16.28 (1) may be contrary to law or rule;

16.29 (2) may be unreasonable, unfair, oppressive, or inconsistent with a policy or order of
16.30 an agency, facility, or program;

16.31 (3) may be mistaken in law or arbitrary in the ascertainment of facts;

16.32 (4) may be unclear or inadequately explained, when reasons should have been
16.33 revealed;

16.34 (5) may result in abuse or neglect of a person receiving treatment;

16.35 (6) may disregard the rights of a client or other individual served by an agency
16.36 or facility;

17.1 (7) may impede or promote independence, community integration, and productivity
17.2 for clients; or

17.3 (8) may impede or improve the monitoring or evaluation of services provided to
17.4 clients.

17.5 (b) The ombudsman shall, in selecting matters for review and in the course of the
17.6 review, avoid duplicating other investigations or regulatory efforts.

17.7 (c) The ombudsman shall give particular attention to the death or unusual injury of
17.8 any individual who is participating in a University of Minnesota Department of Psychiatry
17.9 clinical drug trial.

17.10 Subd. 2a. **Mandatory reporting.** Within 24 hours after a client suffers death or
17.11 serious injury, the agency, facility, ~~or~~ program director, or lead investigator of a clinical
17.12 drug trial at the University of Minnesota Department of Psychiatry shall notify the
17.13 ombudsman of the death or serious injury. The emergency use of manual restraint must
17.14 be reported to the ombudsman as required under section 245D.061, subdivision 8. The
17.15 ombudsman is authorized to receive identifying information about a deceased client
17.16 according to Code of Federal Regulations, title 42, section 2.15, paragraph (b).

17.17 Subd. 3. **Complaints.** (a) The ombudsman may receive a complaint from any
17.18 source concerning an action of an agency, facility, or program. After completing a review,
17.19 the ombudsman shall inform the complainant and the agency, facility, or program.
17.20 No client may be punished nor may the general condition of the client's treatment be
17.21 unfavorably altered as a result of an investigation, a complaint by the client, or by another
17.22 person on the client's behalf. An agency, facility, or program shall not retaliate or take
17.23 adverse action against a client or other person, who in good faith makes a complaint or
17.24 assists in an investigation. The ombudsman may classify as confidential, the identity of a
17.25 complainant, upon request of the complainant.

17.26 (b) The ombudsman shall receive a complaint from any source concerning an
17.27 action or inaction of the University of Minnesota Department of Psychiatry related
17.28 to an individual who is enrolled in a department-approved clinical drug trial. No
17.29 individual participating in the trial may be punished, nor may the general condition of
17.30 the individual's treatment be unfavorably altered, as a result of an investigation or a
17.31 complaint by the individual or the individual's advocate. The university shall not retaliate
17.32 or take adverse action against any person who in good faith makes a complaint or assists
17.33 in an investigation. The ombudsman may classify the identity of the complainant as
17.34 confidential, upon request of the complainant.

17.35 Subd. 4. **Recommendations to agency.** (a) If, after reviewing a complaint or
17.36 conducting an investigation and considering the response of an agency, facility, or

18.1 program and any other pertinent material, the ombudsman determines that the complaint
18.2 has merit or the investigation reveals a problem, the ombudsman may recommend that
18.3 the agency, facility, or program:

- 18.4 (1) consider the matter further;
- 18.5 (2) modify or cancel its actions;
- 18.6 (3) alter a rule, order, or internal policy;
- 18.7 (4) explain more fully the action in question; or
- 18.8 (5) take other action.

18.9 (b) At the ombudsman's request, the agency, facility, or program shall, within a
18.10 reasonable time, inform the ombudsman about the action taken on the recommendation
18.11 or the reasons for not complying with it.

18.12 Subd. 5. Recommendations to University of Minnesota. If, after reviewing a
18.13 complaint or conducting an investigation and considering the response of the clinical drug
18.14 trial's primary investigator or the Department of Psychiatry, the ombudsman determines
18.15 that the complaint has merit or the investigation reveals noncompliance with the federal
18.16 protection of human subjects requirements or the requirements of the Institutional Review
18.17 Board, the ombudsman shall recommend that the Board of Regents of the University of
18.18 Minnesota take corrective action to remedy the violations.

18.19 Sec. 3. Minnesota Statutes 2014, section 245.945, is amended to read:

18.20 **245.945 REIMBURSEMENT TO OMBUDSMAN FOR MENTAL HEALTH**
18.21 **AND DEVELOPMENTAL DISABILITIES.**

18.22 (a) The commissioner shall obtain federal financial participation for eligible activity
18.23 by the ombudsman for mental health and developmental disabilities. The ombudsman
18.24 shall maintain and transmit to the Department of Human Services documentation that is
18.25 necessary in order to obtain federal funds.

18.26 (b) The Board of Regents of the University of Minnesota shall reimburse the Office
18.27 of the Ombudsman for Mental Health and Developmental Disabilities for the oversight
18.28 costs incurred in monitoring participants in Department of Psychiatry clinical drug trials.
18.29 The ombudsman shall maintain and transmit documentation of costs incurred to the Board
18.30 of Regents of the University of Minnesota.

18.31 Sec. 4. Minnesota Statutes 2014, section 245.95, subdivision 1, is amended to read:

18.32 Subdivision 1. **Specific reports.** The ombudsman may send conclusions and
18.33 suggestions concerning any matter reviewed to the governor. Before making public a
18.34 conclusion or recommendation that expressly or implicitly criticizes an agency, facility,

19.1 program, or any person, the ombudsman shall consult with the governor and the agency,
19.2 facility, program, or person concerning the conclusion or recommendation. When sending
19.3 a conclusion or recommendation to the governor that is adverse to an agency, facility,
19.4 program, or any person, the ombudsman shall include any statement of reasonable length
19.5 made by that agency, facility, program, or person in defense or mitigation of the office's
19.6 conclusion or recommendation. For purposes of this subdivision, "agency, facility,
19.7 program, or any person" includes the University of Minnesota Department of Psychiatry
19.8 and its employees working in clinical drug trials.

19.9 Sec. 5. Minnesota Statutes 2014, section 245.97, subdivision 5, is amended to read:

19.10 Subd. 5. **Medical Review Subcommittee.** At least five members of the committee,
19.11 including at least three physicians, one of whom is a psychiatrist, must be designated by
19.12 the governor to serve as a Medical Review Subcommittee. Terms of service, vacancies,
19.13 and compensation are governed by subdivision 2. The governor shall designate one of
19.14 the members to serve as chair of the subcommittee. The Medical Review Subcommittee
19.15 may have access to private and confidential data collected or created by the ombudsman
19.16 that are necessary to fulfill the duties of the Medical Review Subcommittee under this
19.17 section and may:

19.18 (1) make a preliminary determination of whether the death of a client that has been
19.19 brought to its attention is unusual or reasonably appears to have resulted from causes other
19.20 than natural causes and warrants investigation;

19.21 (2) review the causes of and circumstances surrounding the death;

19.22 (3) request the county coroner or medical examiner to conduct an autopsy;

19.23 (4) assist an agency in its investigations of unusual deaths and deaths from causes
19.24 other than natural causes; ~~and~~

19.25 (5) make a preliminary determination of whether the death of a participant in a
19.26 clinical drug trial conducted by the University of Minnesota Department of Psychiatry
19.27 appears to have resulted from causes other than natural causes and warrants investigation
19.28 and reporting as required by federal laws on the protection of human subjects; and

19.29 (6) submit a report regarding the death of a client to the committee, the ombudsman,
19.30 the client's next-of-kin, and the facility where the death occurred and, where appropriate,
19.31 make recommendations to prevent recurrence of similar deaths to the head of each affected
19.32 agency or facility, or the Board of Regents of the University of Minnesota.

ARTICLE 6

COLLEGIATE RECOVERY PROGRAM

Section 1. [137.175] ROCHESTER CAMPUS; COLLEGIATE RECOVERY PROGRAM.

(a) The Board of Regents is requested to establish a collegiate recovery program on its Rochester campus. The purpose of the program must be to provide structured support for students in recovery from alcohol or chemical addiction or other addictive behaviors. Program activities may include, but are not limited to, specialized professional support through academic, career, and financial advising; establishment of on-campus or residential peer support communities; and opportunities for personal growth through leadership development and other community engagement activities.

(b) No later than January 1, 2020, the Board of Regents must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education finance and policy on campus recovery program outcomes, if the program is established. Based on available data, the report must describe, in summary form, the number of students participating in the program and the success rate of participants, including retention and graduation rates and long-term recovery and relapse rates.

Sec. 2. Laws 2015, chapter 69, article 1, section 5, subdivision 2, is amended to read:

Subd. 2. **Operations and Maintenance** 559,111,000 559,111,000

This appropriation includes funding for operation and maintenance of the system. Of the amount appropriated in this subdivision:

\$11,100,000 in fiscal year 2016 and \$11,100,000 in fiscal year 2017 are to minimize any increase in a student's cost of attendance; for research to solve the challenges facing our state, nation, and world; to educate a diverse population of Minnesotans from every community who show the greatest promise; and for public service that builds lasting partnerships with communities across the state to address our

21.1 most complex and pressing issues. The

21.2 Board of Regents is requested to:

21.3 (1) maintain a low cost of mission and

21.4 advance operational excellence;

21.5 (2) increase the diversity of the university's

21.6 students, faculty, and staff; and

21.7 (3) strengthen the university's relationships

21.8 with the agriculture industry and the

21.9 communities of greater Minnesota.

21.10 \$15,000,000 in fiscal year 2016 and

21.11 \$15,000,000 in fiscal year 2017 are to:

21.12 (1) increase the medical school's research

21.13 capacity;

21.14 (2) improve the medical school's ranking in

21.15 National Institutes of Health funding;

21.16 (3) ensure the medical school's national

21.17 prominence by attracting and retaining

21.18 world-class faculty, staff, and students;

21.19 (4) invest in physician training programs in

21.20 rural and underserved communities; and

21.21 (5) translate the medical school's research

21.22 discoveries into new treatments and cures to

21.23 improve the health of Minnesotans.

21.24 The Board of Regents is requested to

21.25 consider hiring additional faculty to conduct

21.26 research related to regenerative medicine.

21.27 \$257,200 in fiscal year 2017 is for design

21.28 and implementation of a collegiate recovery

21.29 program on the University of Minnesota,

21.30 Rochester campus consistent with Minnesota

21.31 Statutes, section 137.175. This is a onetime

21.32 appropriation and is available until June

21.33 30, 2019. Beginning in fiscal year 2020,

22.1 \$179,000 is added to the base to support
22.2 operation and growth of the program.

22.3 Five percent of the fiscal year 2017
22.4 appropriation specified in this subdivision
22.5 is available according to the schedule in
22.6 clauses (1) to (5) in fiscal year 2017 when
22.7 the Board of Regents of the University of
22.8 Minnesota demonstrates to the commissioner
22.9 of management and budget that the board
22.10 has met the following specified number of
22.11 performance goals:

22.12 (1) 100 percent if the board meets three, four,
22.13 or five goals;

22.14 (2) 67 percent if two of the goals are met;

22.15 (3) 33 percent if one of the goals are met; and

22.16 (4) zero percent if none of the goals are met.

22.17 The performance goals are:

22.18 (1) increase by at least one percent
22.19 the four-year, five-year, or six-year
22.20 undergraduate graduation rates, averaged
22.21 over three years, for students of color
22.22 systemwide at the University of Minnesota
22.23 reported in fall 2016 over fall 2014. The
22.24 average rate for fall 2014 is calculated with
22.25 the graduation rates reported in fall 2012,
22.26 2013, and 2014;

22.27 (2) increase by at least two percent the
22.28 total number of undergraduate STEM
22.29 degrees, averaged over three years, conferred
22.30 systemwide by the University of Minnesota
22.31 reported in fiscal year 2016 over fiscal year
22.32 2014. The averaged number for fiscal year
22.33 2014 is calculated with the fiscal year 2012,
22.34 2013, and 2014 numbers;

23.1 (3) increase by at least one percent the
23.2 four-year undergraduate graduation rate at
23.3 the University of Minnesota reported in fall
23.4 2016 over fall 2014. The average rate for
23.5 fall 2014 is calculated with the graduation
23.6 rates reported in fall 2012, 2013, and 2014.
23.7 The averaged number for fiscal year 2014 is
23.8 calculated with the fiscal year 2012, 2013,
23.9 and 2014 numbers;

23.10 (4) for fiscal year 2016, reallocate
23.11 \$15,000,000 of administrative costs. The
23.12 Board of Regents is requested to redirect
23.13 those funds to invest in direct mission
23.14 activities, stem growth in cost of attendance,
23.15 and to programs that benefit students; and

23.16 (5) increase licensing disclosures by three
23.17 percent for fiscal year 2016 over fiscal year
23.18 2015.

23.19 By August 1, 2015, the Board of Regents and
23.20 the Office of Higher Education must agree on
23.21 specific numerical indicators and definitions
23.22 for each of the five goals that will be used to
23.23 demonstrate the University of Minnesota's
23.24 attainment of each goal. On or before April
23.25 1, 2016, the Board of Regents must report
23.26 to the legislative committees with primary
23.27 jurisdiction over higher education finance
23.28 and policy the progress of the University of
23.29 Minnesota toward attaining the goals. The
23.30 appropriation base for the next biennium shall
23.31 include appropriations not made available
23.32 under this subdivision for failure to meet
23.33 performance goals. All of the appropriation
23.34 that is not available due to failure to meet
23.35 performance goals is appropriated to the

24.1 commissioner of the Office of Higher
24.2 Education for fiscal year 2017 for the purpose
24.3 of the state grant program under Minnesota
24.4 Statutes, section 136A.121.
24.5 Performance metrics are intended to facilitate
24.6 progress towards the attainment goal under
24.7 Minnesota Statutes, section 135A.012.
24.8 Beginning in fiscal year 2018, the operations
24.9 and maintenance base appropriation is
24.10 \$559,111,000.

24.11 ARTICLE 7

24.12 GENERAL EDUCATION

24.13 Section 1. Minnesota Statutes 2014, section 123A.24, subdivision 2, is amended to read:

24.14 Subd. 2. **Cooperative unit defined.** For the purposes of this section, a cooperative
24.15 unit is:

24.16 (1) an education district organized under sections 123A.15 to 123A.19;

24.17 (2) a cooperative vocational center organized under section 123A.22;

24.18 (3) an intermediate district organized under chapter 136D;

24.19 (4) a service cooperative organized under section 123A.21; ~~or~~

24.20 (5) a regional management information center organized under section 123A.23 or
24.21 as a joint powers district according to section 471.59; or

24.22 (6) a special education cooperative organized under section 471.59.

24.23 Sec. 2. Minnesota Statutes 2014, section 124D.111, is amended by adding a
24.24 subdivision to read:

24.25 Subd. 2a. **Federal child and adult care food program; financial viability.** (a) A
24.26 nonprofit organization with fewer than three years of experience and performance data
24.27 that is applying for approval as a multisite sponsoring organization under the federal child
24.28 and adult care food program may demonstrate its financial viability by submitting to the
24.29 commissioner a written statement from a certified public accountant indicating, based on
24.30 generally accepted accounting principles, that the nonprofit organization has the financial
24.31 resources needed to sponsor the program on a daily basis and to withstand temporary
24.32 interruptions in program payments. The statement from a certified public accountant
24.33 satisfies the requirement for a nonprofit organization to demonstrate its financial viability

25.1 under the federal child and adult care food program in Minnesota. Consistent with
25.2 this paragraph, the commissioner must post on the department's Web site criteria for
25.3 interested nonprofit organizations, those with fewer than three years of experience and
25.4 performance data, and those with three or more years of experience and performance data,
25.5 to demonstrate financial viability for the Minnesota program.

25.6 (b) The commissioner must use an expedited process to reconsider any application
25.7 by a nonprofit organization under paragraph (a) applying for approval as a multisite
25.8 sponsoring organization under the federal child and adult care food program submitted to
25.9 the commissioner after July 1, 2015, if the commissioner denied the application, in whole
25.10 or in part, based upon the applicant's inability to demonstrate financial viability.

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

25.12 Sec. 3. Minnesota Statutes 2015 Supplement, section 126C.10, subdivision 1, is
25.13 amended to read:

25.14 Subdivision 1. **General education revenue.** (a) Notwithstanding any law to the
25.15 contrary, a school board in any school year may adopt a resolution declaring an urgent
25.16 educational need for that school year and resolve to reallocate the district's general
25.17 education revenue under this section to provide more effective education programs and
25.18 services designed to improve the educational outcomes of all students enrolled in the
25.19 district. A board action under this paragraph must not increase state aid obligations to
25.20 the district, result in additional property tax authority for the district, or interfere with
25.21 federally mandated laws or state or federal court orders.

25.22 (b) The general education revenue for each district equals the sum of the district's
25.23 basic revenue, extended time revenue, gifted and talented revenue, declining enrollment
25.24 revenue, local optional revenue, small schools revenue, basic skills revenue, secondary
25.25 sparsity revenue, elementary sparsity revenue, transportation sparsity revenue, total
25.26 operating capital revenue, equity revenue, pension adjustment revenue, and transition
25.27 revenue.

25.28 **EFFECTIVE DATE.** This section is effective July 1, 2016.

25.29 Sec. 4. Minnesota Statutes 2015 Supplement, section 126C.10, subdivision 13a,
25.30 is amended to read:

25.31 Subd. 13a. **Operating capital levy.** To obtain operating capital revenue, a district
25.32 may levy an amount not more than the product of its operating capital revenue for the
25.33 fiscal year times the lesser of one or the ratio of its adjusted net tax capacity per adjusted

26.1 pupil unit to the operating capital equalizing factor. The operating capital equalizing factor
26.2 equals ~~\$14,500 for fiscal years 2015 and 2016~~, \$14,740 for fiscal year 2017, ~~\$17,473~~
26.3 \$17,495 for fiscal year 2018, and ~~\$20,510~~ \$20,532 for fiscal year 2019 and later.

26.4 Sec. 5. Minnesota Statutes 2014, section 126C.10, subdivision 24, is amended to read:

26.5 Subd. 24. **Equity revenue.** (a) A school district qualifies for equity revenue if:

26.6 (1) the school district's adjusted pupil unit amount of basic revenue, transition
26.7 revenue, and referendum revenue is less than the value of the school district at or
26.8 immediately above the 95th percentile of school districts in its equity region for those
26.9 revenue categories; and

26.10 (2) the school district's administrative offices are not located in a city of the first
26.11 class on July 1, 1999.

26.12 (b) Equity revenue for a qualifying district that receives referendum revenue under
26.13 section 126C.17, subdivision 4, equals the product of (1) the district's adjusted pupil
26.14 units for that year; times (2) the sum of (i) \$14, plus (ii) \$80, times the school district's
26.15 equity index computed under subdivision 27.

26.16 (c) Equity revenue for a qualifying district that does not receive referendum revenue
26.17 under section 126C.17, subdivision 4, equals the product of the district's adjusted pupil
26.18 units for that year times \$14.

26.19 (d) A school district's equity revenue is increased by the greater of zero or an amount
26.20 equal to the district's adjusted pupil units times the difference between ten percent of the
26.21 statewide average amount of referendum revenue per adjusted pupil unit for that year and
26.22 the district's referendum revenue per adjusted pupil unit. A school district's revenue under
26.23 this paragraph must not exceed \$100,000 for that year.

26.24 (e) A school district's equity revenue ~~for a school district located in the metro equity~~
26.25 ~~region~~ equals the amount computed in paragraphs (b), (c), and (d) multiplied by 1.25.

26.26 Beginning in fiscal year 2018, a district's equity revenue adjustment under this paragraph
26.27 is available only after the school board has adopted a written resolution authorizing the
26.28 equity revenue adjustment. The resolution must be adopted at a board meeting after the
26.29 public has been given an opportunity to speak on the resolution. A resolution adopted
26.30 under this subdivision may authorize the revenue adjustment for up to five years, and the
26.31 board may subsequently reauthorize the revenue in increments of up to five years.

26.32 (f) A school district's additional equity revenue equals \$50 times its adjusted pupil
26.33 units.

26.34 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2017
26.35 and later.

27.1 Sec. 6. Minnesota Statutes 2015 Supplement, section 126C.15, subdivision 1, is
27.2 amended to read:

27.3 Subdivision 1. **Use of revenue.** The basic skills revenue under section 126C.10,
27.4 subdivision 4, must be reserved and used to meet the educational needs of pupils who
27.5 enroll under-prepared to learn and whose progress toward meeting state or local content
27.6 or performance standards is below the level that is appropriate for learners of their age.
27.7 Basic skills revenue may also be used for programs designed to prepare children and their
27.8 families for entry into school whether the student first enrolls in kindergarten or first grade.
27.9 Any of the following may be provided to meet these learners' needs:

27.10 (1) direct instructional services under the assurance of mastery program according
27.11 to section 124D.66;

27.12 (2) remedial instruction in reading, language arts, mathematics, other content areas,
27.13 or study skills to improve the achievement level of these learners;

27.14 (3) additional teachers and teacher aides to provide more individualized instruction
27.15 to these learners through individual tutoring, lower instructor-to-learner ratios, or team
27.16 teaching;

27.17 (4) a longer school day or week during the regular school year or through a summer
27.18 program that may be offered directly by the site or under a performance-based contract
27.19 with a community-based organization;

27.20 (5) recruitment and new teacher development activities through quality mentor-led
27.21 induction or "grow your own" initiatives;

27.22 (6) a hiring bonus or other added compensation for a teacher identified as effective
27.23 or highly effective under the local teacher professional review cycle who agrees to work
27.24 in a hard-to-fill position or hard-to-staff school setting such as a school with a majority
27.25 of students whose families meet federal poverty guidelines, a geographically isolated
27.26 school, or a school identified by the state as eligible for targeted programs or services
27.27 for its students;

27.28 ~~(5)~~ (7) comprehensive and ongoing staff development consistent with district and
27.29 site plans according to section 122A.60 and to implement plans under section 120B.12,
27.30 subdivision 4a, for teachers, teacher aides, principals, and other personnel to improve
27.31 their ability to identify the needs of these learners and provide appropriate remediation,
27.32 intervention, accommodations, or modifications;

27.33 ~~(6)~~ (8) instructional materials, digital learning, and technology appropriate for
27.34 meeting the individual needs of these learners;

27.35 ~~(7)~~ (9) programs to reduce truancy, encourage completion of high school, enhance
27.36 self-concept, provide health services, provide nutrition services, provide a safe and secure

28.1 learning environment, provide coordination for pupils receiving services from other
 28.2 governmental agencies, provide psychological services to determine the level of social,
 28.3 emotional, cognitive, and intellectual development, and provide counseling services,
 28.4 guidance services, and social work services;

28.5 ~~(8)~~ (10) bilingual programs, bicultural programs, and programs for English learners;
 28.6 ~~(9) all-day kindergarten;~~

28.7 ~~(10)~~ (11) early education programs, parent-training programs, school readiness
 28.8 programs, kindergarten programs for four-year-olds, voluntary home visits under section
 28.9 124D.13, subdivision 4, and other outreach efforts designed to prepare children for
 28.10 kindergarten;

28.11 ~~(11)~~ (12) extended school day and extended school year programs, including
 28.12 summer academies; and

28.13 ~~(12)~~ (13) substantial parent involvement in developing and implementing remedial
 28.14 education or intervention plans for a learner, including learning contracts between the
 28.15 school, the learner, and the parent that establish achievement goals and responsibilities of
 28.16 the learner and the learner's parent or guardian.

28.17 **EFFECTIVE DATE.** This section is effective for fiscal year 2017 and later.

28.18 Sec. 7. Minnesota Statutes 2015 Supplement, section 126C.15, subdivision 2, is
 28.19 amended to read:

28.20 Subd. 2. **Building allocation.** (a) Unless a plan has been adopted according to
 28.21 paragraph (b), a district or cooperative must allocate its compensatory revenue to each
 28.22 school building in the district or cooperative where the children who have generated the
 28.23 revenue are served ~~unless the school district or cooperative has received permission under~~
 28.24 ~~Laws 2005, First Special Session chapter 5, article 1, section 50, to allocate compensatory~~
 28.25 ~~revenue according to student performance measures developed by the school board.~~

28.26 (b) Notwithstanding paragraph (a), the board of a district or cooperative may ~~allocate~~
 28.27 ~~up to 50 percent of the amount of~~ reallocate any or all of its compensatory revenue that
 28.28 ~~the district receives to school sites~~ according to a plan adopted by the school board.
 28.29 The money reallocated under this paragraph must be spent for the purposes listed in
 28.30 subdivision 1, but may be spent on students in any grade, including students attending
 28.31 school readiness or other prekindergarten programs.

28.32 (c) For the purposes of this section and section 126C.05, subdivision 3, "building"
 28.33 means education site as defined in section 123B.04, subdivision 1.

28.34 (d) Notwithstanding section 123A.26, subdivision 1, compensatory revenue
 28.35 generated by students served at a cooperative unit shall be paid to the cooperative unit.

29.1 (e) A district or cooperative with school building openings, school building
29.2 closings, changes in attendance area boundaries, or other changes in programs or student
29.3 demographics between the prior year and the current year may reallocate compensatory
29.4 revenue among sites to reflect these changes. A district or cooperative must report to the
29.5 department any adjustments it makes according to this paragraph and the department must
29.6 use the adjusted compensatory revenue allocations in preparing the report required under
29.7 section 123B.76, subdivision 3, paragraph (c).

29.8 **EFFECTIVE DATE.** This section is effective for fiscal year 2017 and later.

29.9 Sec. 8. Minnesota Statutes 2014, section 126C.15, subdivision 3, is amended to read:

29.10 Subd. 3. **Recommendation.** A school site decision-making team, as defined in
29.11 section 123B.04, subdivision 2, paragraph (a), or the instruction and curriculum advisory
29.12 committee under section 120B.11, if the school has no school site decision team, ~~shall~~ may
29.13 recommend to the school board how the compensatory education revenue will be used to
29.14 carry out the purpose of this section. A school district that has received permission under
29.15 Laws 2005, First Special Session chapter 5, article 1, section 50, to allocate compensatory
29.16 revenue according to school performance measures shall share its plan for the distribution
29.17 of compensatory revenue with the school site decision team.

29.18 **EFFECTIVE DATE.** This section is effective July 1, 2016.

29.19 Sec. 9. Minnesota Statutes 2014, section 127A.353, subdivision 4, is amended to read:

29.20 Subd. 4. **Duties; powers.** (a) The school trust lands director shall:

29.21 (1) take an oath of office before assuming any duties as the director;

29.22 (2) evaluate the school trust land asset position;

29.23 (3) determine the estimated current and potential market value of school trust lands;

29.24 (4) advise the governor, Executive Council, commissioner of natural resources,

29.25 and the Legislative Permanent School Fund Commission on the management of school
29.26 trust lands, including:

29.27 (i) Department of Natural Resources school trust land management plans;

29.28 (ii) leases of school trust lands;

29.29 (iii) royalty agreements on school trust lands;

29.30 (iv) land sales and exchanges;

29.31 (v) cost certification; and

29.32 (vi) revenue generating options;

30.1 (5) propose to the Legislative Permanent School Fund Commission legislative
30.2 changes that will improve the asset allocation of the school trust lands;

30.3 (6) develop a ten-year strategic plan and a 25-year framework for management of
30.4 school trust lands, in conjunction with the commissioner of natural resources, that is
30.5 updated every five years and implemented by the commissioner, with goals to:

30.6 (i) retain core real estate assets;

30.7 (ii) increase the value of the real estate assets and the cash flow from those assets;

30.8 (iii) rebalance the portfolio in assets with high performance potential and the
30.9 strategic disposal of selected assets;

30.10 (iv) establish priorities for management actions; and

30.11 (v) balance revenue enhancement and resource stewardship;

30.12 (7) submit to the Legislative Permanent School Fund Commission for review an
30.13 annual budget and management plan for the director; and

30.14 (8) keep the beneficiaries, governor, legislature, and the public informed about the
30.15 work of the director by reporting to the Legislative Permanent School Fund Commission
30.16 in a public meeting at least once during each calendar quarter.

30.17 (b) In carrying out the duties under paragraph (a), the school trust lands director
30.18 shall have the authority to:

30.19 (1) direct and control money appropriated to the director;

30.20 (2) establish job descriptions and employ up to five employees in the unclassified
30.21 service, within the limitations of money appropriated to the director;

30.22 (3) enter into interdepartmental agreements with any other state agency; ~~and~~

30.23 (4) enter into joint powers agreements under chapter 471;

30.24 (5) evaluate and initiate real estate development projects on school trust lands with
30.25 the advice of the Legislative Permanent School Fund Commission in order to generate
30.26 long-term economic return to the permanent school fund; and

30.27 ~~(4)~~ (6) submit recommendations on strategies for school trust land leases, sales, or
30.28 exchanges to the commissioner of natural resources and the Legislative Permanent School
30.29 Fund Commission.

30.30 **EFFECTIVE DATE.** This section is effective July 1, 2016.

30.31 Sec. 10. Minnesota Statutes 2014, section 127A.51, is amended to read:

30.32 **127A.51 STATEWIDE AVERAGE REVENUE.**

30.33 By ~~October~~ December 1 of each year the commissioner must estimate the statewide
30.34 average adjusted general revenue per adjusted pupil unit and the disparity in adjusted

31.1 general revenue among pupils and districts by computing the ratio of the 95th percentile
 31.2 to the fifth percentile of adjusted general revenue. The commissioner must provide that
 31.3 information to all districts.

31.4 If the disparity in adjusted general revenue as measured by the ratio of the 95th
 31.5 percentile to the fifth percentile increases in any year, the commissioner shall recommend
 31.6 to the legislature options for change in the general education formula that will limit the
 31.7 disparity in adjusted general revenue to no more than the disparity for the previous
 31.8 school year. The commissioner must submit the recommended options to the education
 31.9 committees of the legislature by ~~January 15~~ February 1.

31.10 For purposes of this section and section 126C.10, adjusted general revenue means
 31.11 the sum of basic revenue under section 126C.10, subdivision 2; referendum revenue under
 31.12 section 126C.17; local optional revenue under section 126C.10, subdivision 2e; and equity
 31.13 revenue under section 126C.10, subdivisions 24a and 24b.

31.14 Sec. 11. Laws 2013, chapter 116, article 7, section 19, as amended by Laws 2015, First
 31.15 Special Session chapter 3, article 7, section 6, is amended to read:

31.16 Sec. 19. ~~FUND OR ACCOUNT TRANSFER; FISCAL YEAR 2014 THROUGH~~
 31.17 ~~FISCAL YEAR 2017 ONLY.~~

31.18 (a) Notwithstanding Minnesota Statutes, section 123B.80, subdivision 3, for fiscal
 31.19 year 2014 ~~through fiscal year 2017 only and later~~, the commissioner must approve a
 31.20 request for a fund or account transfer if the transfer does not increase state aid obligations
 31.21 to the district or result in additional property tax authority for the district. This section
 31.22 does not permit transfers from the community service fund, the food service fund, or the
 31.23 reserved account for staff development under section 122A.61.

31.24 (b) A school board may approve a fund or account transfer under paragraph (a)
 31.25 only after adopting a resolution stating the fund or account transfer will not diminish
 31.26 instructional opportunities for students.

31.27 **EFFECTIVE DATE.** This section is effective July 1, 2016.

31.28 Sec. 12. Laws 2015, First Special Session chapter 3, article 1, section 27, subdivision
 31.29 2, is amended to read:

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

32.1 ~~6,624,310,000~~
 32.2 \$ 6,649,435,000 2016
 32.3 ~~6,761,574,000~~
 32.4 \$ 6,794,192,000 2017

32.5 The 2016 appropriation includes \$622,908,000 for 2015 and ~~\$6,001,405,000~~
 32.6 \$6,026,527,000 for 2016.

32.7 The 2017 appropriation includes ~~\$638,812,000~~ \$641,412,000 for 2016 and
 32.8 ~~\$6,122,762,000~~ \$6,152,780,000 for 2017.

32.9 Sec. 13. **VOLUNTARY BOUNDARY ALIGNMENT; MOORHEAD AND**
 32.10 **DILWORTH-GLYNDON-FELTON.**

32.11 Subdivision 1. **Boundary realignment allowed.** The school boards of Independent
 32.12 School Districts Nos. 152, Moorhead, and 2164, Dilworth-Glyndon-Felton, may realign
 32.13 their shared district boundaries according to the provisions of this section.

32.14 Subd. 2. **Plan to establish new boundaries.** (a) The school boards of Independent
 32.15 School Districts Nos. 152, Moorhead, and 2164, Dilworth-Glyndon-Felton, may jointly
 32.16 develop a plan to realign their shared school district boundaries over a period of years.

32.17 (b) The plan must specify and identify each group of parcels that will be transferred
 32.18 and the method used to determine the year during which each set of parcels is transferred.
 32.19 The method of transfer may include an analysis of the relative tax base of the parcels to
 32.20 be transferred and may make the transfers of parcels effective upon the relationship in
 32.21 relative tax bases.

32.22 (c) The written plan must be adopted by each school board after the board has
 32.23 allowed public testimony on the plan.

32.24 (d) The plan must be filed with both the county auditor and the commissioner of
 32.25 education.

32.26 (e) After adopting the plan, each school board must publish notice of the plan
 32.27 realigning district boundaries. The notice must include a general description of the area
 32.28 that will be affected by the proposed boundary alignment and the method by which the
 32.29 boundaries will be realigned. The notice must also be mailed to each property owner of
 32.30 record in the area proposed for realignment.

32.31 Subd. 3. **Bonded debt.** As of the effective date of each exchange of parcels between
 32.32 the two school districts, for the next and subsequent tax years, the taxable property in the
 32.33 newly aligned parcel is taxable for a portion of the bonded debt of the school district to
 32.34 which the property is attached and is not taxable for the bonded debt from the school
 32.35 district from which the property is detached.

33.1 Subd. 4. **County auditor notified.** After adoption of the plan, each school board
33.2 must provide a copy of the plan to the county auditor. The county auditor may request
33.3 any other necessary information from the school districts to affect the transfer of parcels
33.4 between the school districts. Each year, the school districts must notify the county auditor
33.5 of what block of parcels, if any, will be transferred between the two school districts. The
33.6 county auditor must notify each affected property owner of the boundary change.

33.7 Subd. 5. **Report to Department of Education.** Upon adoption of the plan, the
33.8 school boards must submit a copy of the plan to the Department of Education. The districts
33.9 must also provide any additional information necessary for computing school aids and
33.10 levies to the Department of Education in the form and manner requested by the department.

33.11 **EFFECTIVE DATE.** This section is effective the day after the school boards of
33.12 Independent School Districts Nos. 152, Moorhead, and 2164, Dilworth-Glyndon-Felton,
33.13 and their respective chief clerical officers timely comply with Minnesota Statutes, section
33.14 645.021, subdivisions 2 and 3.

33.15 Sec. 14. **GLENVILLE-EMMONS SCHOOL DISTRICT; OPERATING**
33.16 **REFERENDUM ADJUSTMENT.**

33.17 Subdivision 1. **Year first effective.** Notwithstanding any law to the contrary, the
33.18 operating referendum approved by the voters of Independent School District No. 2886,
33.19 Glenville-Emmons, in April 2015, is first effective for fiscal year 2017 and may run for
33.20 the number of years stated on the ballot. The total referendum authority for fiscal year
33.21 2017, including any board-approved authority, may not exceed the amount approved
33.22 by the voters.

33.23 Subd. 2. **Documentation and process.** The board of Independent School District
33.24 No. 2886, Glenville-Emmons, must submit to the commissioner of education the following:

33.25 (1) a unanimously adopted written resolution of the board at a public meeting
33.26 authorizing the operating referendum to begin in fiscal year 2017;

33.27 (2) documentation showing that the district's approved plan to eliminate its statutory
33.28 operating debt is being followed; and

33.29 (3) any other information requested by the commissioner.

33.30 Subd. 3. **Levy adjustment.** Independent School District No. 2886,
33.31 Glenville-Emmons, may certify the levy to accompany the fiscal year 2017 operating
33.32 referendum over a three-year period beginning with taxes payable in 2017.

33.33 Sec. 15. **EQUITY AID; FISCAL YEAR 2017.**

34.1 For fiscal year 2017 only, the entire amount of the equity revenue adjustment under
 34.2 section 5 is paid through state aid.

34.3 Sec. 16. **REPORT ON POSTSECONDARY ENROLLMENT OPTIONS**
 34.4 **PROGRAM.**

34.5 The commissioner of education must include in its 2017 report to the legislature
 34.6 on dual credit programs the number of students participating in early middle college
 34.7 programs and the number of English language learners participating in each type of dual
 34.8 enrollment program. The commissioner must also include recommendations about how to
 34.9 expand participation in early middle college programs for English language learners.

34.10 Sec. 17. **REVISOR'S INSTRUCTION.**

34.11 The revisor of statutes shall codify section 11 in Minnesota Statutes, section
 34.12 123B.79, consistent with other limitations on school district fund and account transfers
 34.13 and appropriately revise any statutory cross-reference consistent with that recoding.

34.14 **ARTICLE 8**

34.15 **EDUCATION EXCELLENCE**

34.16 Section 1. **[119A.035] SCHOOL CRISIS RESPONSE TEAMS.**

34.17 Subdivision 1. **Commissioner's duties.** To ensure timely responses to school crises,
 34.18 the commissioner must work in cooperation with the Minnesota School Safety Center to
 34.19 collect, maintain, and make available to schools contact information for crisis response
 34.20 teams throughout the state.

34.21 Subd. 2. **Crisis response teams.** In regions of Minnesota where an existing crisis
 34.22 response team has not been formed by a school district, county, or city, the commissioner,
 34.23 in cooperation with the Minnesota School Safety Center, must convene a working group
 34.24 in each region to develop a plan to form a crisis response team for that region. Team
 34.25 members from the public and private sectors may represent various disciplines, including
 34.26 school administrators, guidance counselors, psychologists, social workers, teachers,
 34.27 nurses, security experts, media relations professionals, and other related areas.

34.28 Sec. 2. Minnesota Statutes 2014, section 120A.22, subdivision 12, is amended to read:

34.29 Subd. 12. **Legitimate exemptions.** (a) A parent, guardian, or other person having
 34.30 control of a child may apply to a school district to have the child excused from attendanee
 34.31 attending for the whole or any part of the time school is in session or participating in a
 34.32 physical education class during any school year. Application may be made to any member

35.1 of the board, a truant officer, a principal, or the superintendent. The school district may
35.2 state in its school attendance policy that it may ask the student's parent or legal guardian to
35.3 verify in writing the reason for the child's absence from school or not participating in a
35.4 physical education class. A note from a physician or a licensed mental health professional
35.5 stating that the child cannot attend school or participate in a physical education class
35.6 is a valid excuse. The board of the district in which the child resides may approve the
35.7 application upon the following being demonstrated to the satisfaction of that board:

35.8 (1) that the child's physical or mental health is such as to prevent ~~attendance at~~
35.9 attending school or participating in a physical education class or ~~application applying to~~
35.10 study for the period required, which includes:

- 35.11 (i) child illness, medical, dental, orthodontic, or counseling appointments;
35.12 (ii) family emergencies;
35.13 (iii) the death or serious illness or funeral of an immediate family member;
35.14 (iv) active duty in any military branch of the United States;
35.15 (v) the child has a condition that requires ongoing treatment for a mental health
35.16 diagnosis; or
35.17 (vi) other exemptions included in the district's school attendance policy;

35.18 (2) that the child has already completed state and district standards required for
35.19 graduation from high school; or

35.20 (3) that it is the wish of the parent, guardian, or other person having control of the
35.21 child, that the child attend for a period or periods not exceeding in the aggregate three
35.22 hours in any week, a school for religious instruction conducted and maintained by some
35.23 church, or association of churches, or any Sunday school association incorporated under
35.24 the laws of this state, or any auxiliary thereof. This school for religious instruction must
35.25 be conducted and maintained in a place other than a public school building, and it must
35.26 not, in whole or in part, be conducted and maintained at public expense. However, a child
35.27 may be absent from school on such days as the child attends upon instruction according to
35.28 the ordinances of some church.

35.29 (b) Notwithstanding subdivision 6, paragraph (a), a parent may withdraw a child
35.30 from an all-day, every day kindergarten program and put their child in a half-day program,
35.31 if offered, or an alternate-day program without being truant. A school board must excuse a
35.32 kindergarten child from a part of a school day at the request of the child's parent.

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

36.1 Sec. 3. Minnesota Statutes 2014, section 120A.42, is amended to read:

36.2 **120A.42 CONDUCT OF SCHOOL ON CERTAIN HOLIDAYS.**

36.3 (a) The governing body of any district may contract with any of the teachers of the
 36.4 district for the conduct of schools, and may conduct schools, on either, or any, of the
 36.5 following holidays, provided that a clause to this effect is inserted in the teacher's contract:
 36.6 Martin Luther King's birthday, Lincoln's and Washington's birthdays, Columbus Day
 36.7 and Veterans' Day. On Martin Luther King's birthday, Washington's birthday, Lincoln's
 36.8 birthday, and Veterans' Day at least one hour of the school program must be devoted to a
 36.9 patriotic observance of the day.

36.10 (b) A district may conduct a school program to honor Constitution Day and
 36.11 Citizenship Day by providing opportunities for students to learn about the principles of
 36.12 American democracy, the American system of government, American citizens' rights and
 36.13 responsibilities, American history, and American geography, symbols, and holidays.
 36.14 Among other activities under this paragraph, districts may administer to students the test
 36.15 questions United States Citizenship and Immigration Services officers pose to applicants
 36.16 for naturalization and may formally recognize students who are able to answer 80 or
 36.17 more of the 100 questions correctly.

36.18 **EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and
 36.19 later.

36.20 Sec. 4. Minnesota Statutes 2014, section 120B.02, is amended by adding a subdivision
 36.21 to read:

36.22 **Subd. 3. Required knowledge and understanding of civics.** (a) For purposes of
 36.23 this subdivision, "civics test questions" means 50 of the 100 questions that, as of January 1,
 36.24 2015, United States citizenship and immigration services officers use to select the questions
 36.25 they pose to applicants for naturalization so the applicants can demonstrate their knowledge
 36.26 and understanding of the fundamentals of United States history and government, as
 36.27 required by United States Code, title 8, section 1423. The Learning Law and Democracy
 36.28 Foundation, in consultation with Minnesota civics teachers, must select by July 1 each year
 36.29 50 of the 100 questions under this paragraph to serve as the state's civics test questions for
 36.30 the proximate school year and immediately transmit the 50 selected civics test questions to
 36.31 the department and to the Legislative Coordinating Commission, which must post the 50
 36.32 questions it receives on the Minnesota's Legacy Web site by August 1 of that year.

36.33 (b) A student enrolled in a public school must correctly answer at least 30 of the 50
 36.34 civics test questions. A school or district must record on a student's transcript whether

37.1 and when the student answered at least 30 of 50 civics test questions correctly. A school
37.2 or district may exempt a student with disabilities from this requirement if the student's
37.3 individualized education program team determines the requirement is inappropriate and
37.4 establishes an alternative requirement. A school or district may administer the civics test
37.5 questions in a language other than English to students who qualify for English learner
37.6 services.

37.7 (c) Schools and districts may administer civics test questions as part of the social
37.8 studies curriculum. A district must not prevent a student from graduating or deny a student
37.9 a high school diploma for failing to correctly answer at least 30 of 50 civics test questions.

37.10 (d) The commissioner and public schools and school districts must not charge
37.11 students any fees related to this subdivision.

37.12 **EFFECTIVE DATE.** This section is effective for students enrolling in grade 9 in
37.13 the 2017-2018 school year or later.

37.14 Sec. 5. Minnesota Statutes 2014, section 120B.021, subdivision 1, is amended to read:

37.15 Subdivision 1. **Required academic standards.** (a) The following subject areas
37.16 are required for statewide accountability:

37.17 (1) language arts;

37.18 (2) mathematics;

37.19 (3) science;

37.20 (4) social studies, including history, geography, economics, and government and
37.21 citizenship that includes civics consistent with section 120B.02, subdivision 3;

37.22 (5) physical education;

37.23 (6) health, for which locally developed academic standards apply; and

37.24 (7) the arts, for which statewide or locally developed academic standards apply, as

37.25 determined by the school district. Public elementary and middle schools must offer at least

37.26 three and require at least two of the following four arts areas: dance; music; theater; and

37.27 visual arts. Public high schools must offer at least three and require at least one of the

37.28 following five arts areas: media arts; dance; music; theater; and visual arts.

37.29 (b) For purposes of applicable federal law, the academic standards for language arts,

37.30 mathematics, and science apply to all public school students, except the very few students

37.31 with extreme cognitive or physical impairments for whom an individualized education

37.32 program team has determined that the required academic standards are inappropriate. An

37.33 individualized education program team that makes this determination must establish

37.34 alternative standards.

38.1 (c) Consistent with section 120B.021, subdivision 4, paragraph (g), the department
38.2 must adopt the most recent Society of Health and Physical Education (SHAPE) America
38.3 or other nationally recognized kindergarten through grade 12 physical education standards
38.4 and benchmarks as the required Minnesota physical education academic standards. The
38.5 department may modify and adapt the national standards and benchmarks to accommodate
38.6 state interest so long as it maintains the purpose and integrity of the national standards. The
38.7 department must post on its Web site existing assessments available in the public domain
38.8 for school districts to use in assessing students' mastery of the physical education standards.

38.9 (e) (d) District efforts to develop, implement, or improve instruction or curriculum
38.10 as a result of the provisions of this section must be consistent with sections 120B.10,
38.11 120B.11, and 120B.20.

38.12 **EFFECTIVE DATE.** Paragraph (c) is effective for the 2021-2022 school year
38.13 and later.

38.14 Sec. 6. Minnesota Statutes 2014, section 120B.021, subdivision 3, is amended to read:

38.15 Subd. 3. **Rulemaking.** The commissioner, consistent with the requirements of
38.16 this section and section 120B.022, must adopt statewide rules under section 14.389 for
38.17 implementing statewide rigorous core academic standards in language arts, mathematics,
38.18 science, social studies, physical education, and the arts. After the rules authorized under
38.19 this subdivision are initially adopted, the commissioner may not amend or repeal these
38.20 rules nor adopt new rules on the same topic without specific legislative authorization. The
38.21 academic standards for language arts, mathematics, and the arts must be implemented for
38.22 all students beginning in the 2003-2004 school year. The academic standards for science
38.23 and social studies must be implemented for all students beginning in the 2005-2006 school
38.24 year.

38.25 Sec. 7. Minnesota Statutes 2015 Supplement, section 120B.021, subdivision 4, is
38.26 amended to read:

38.27 Subd. 4. **Revisions and reviews required.** (a) The commissioner of education must
38.28 revise and appropriately embed technology and information literacy standards consistent
38.29 with recommendations from school media specialists into the state's academic standards
38.30 and graduation requirements and implement a ten-year cycle to review and, consistent
38.31 with the review, revise state academic standards and related benchmarks, consistent with
38.32 this subdivision. During each ten-year review and revision cycle, the commissioner also
38.33 must examine the alignment of each required academic standard and related benchmark
38.34 with the knowledge and skills students need for career and college readiness and advanced

39.1 work in the particular subject area. The commissioner must include the contributions of
39.2 Minnesota American Indian tribes and communities as related to the academic standards
39.3 during the review and revision of the required academic standards.

39.4 (b) The commissioner must ensure that the statewide mathematics assessments
39.5 administered to students in grades 3 through 8 and 11 are aligned with the state academic
39.6 standards in mathematics, consistent with section 120B.30, subdivision 1, paragraph
39.7 (b). The commissioner must implement a review of the academic standards and related
39.8 benchmarks in mathematics beginning in the 2020-2021 school year and every ten years
39.9 thereafter.

39.10 (c) The commissioner must implement a review of the academic standards and related
39.11 benchmarks in arts beginning in the 2016-2017 school year and every ten years thereafter.

39.12 (d) The commissioner must implement a review of the academic standards and
39.13 related benchmarks in science beginning in the 2017-2018 school year and every ten
39.14 years thereafter.

39.15 (e) The commissioner must implement a review of the academic standards and
39.16 related benchmarks in language arts beginning in the 2018-2019 school year and every
39.17 ten years thereafter.

39.18 (f) The commissioner must implement a review of the academic standards and
39.19 related benchmarks in social studies beginning in the 2019-2020 school year and every
39.20 ten years thereafter.

39.21 (g) The commissioner must adopt the most recent kindergarten through grade 12
39.22 physical education standards developed by the Society of Health and Physical Education
39.23 (SHAPE) America or other nationally recognized physical education association and
39.24 implement a review of the physical education standards and related benchmarks, consistent
39.25 with section 120B.021, subdivision 1, paragraph (c), beginning in the 2020-2021 school
39.26 year and every ten years thereafter.

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

39.33 Sec. 8. Minnesota Statutes 2014, section 120B.11, subdivision 1a, is amended to read:

39.34 Subd. 1a. **Performance measures.** Measures to determine school district and
39.35 school site progress in striving to create the world's best workforce must include at least:

40.1 ~~(1) student performance on the National Assessment of Education Progress where~~
 40.2 ~~applicable;~~

40.3 ~~(2) (1) the size of the academic achievement gap, rigorous course taking under~~
 40.4 ~~section 120B.35, subdivision 3, paragraph (c), clause (2), and enrichment experiences by~~
 40.5 ~~student subgroup;~~

40.6 ~~(3) (2) student performance on the Minnesota Comprehensive Assessments;~~

40.7 ~~(4) (3) high school graduation rates; and~~

40.8 ~~(5) (4) career and college readiness under section 120B.30, subdivision 1.~~

40.9 Sec. 9. Minnesota Statutes 2014, section 120B.11, subdivision 2, is amended to read:

40.10 Subd. 2. **Adopting plans and budgets.** A school board, at a public meeting, shall
 40.11 adopt a comprehensive, long-term strategic plan to support and improve teaching and
 40.12 learning that is aligned with creating the world's best workforce and includes:

40.13 (1) clearly defined district and school site goals and benchmarks for instruction and
 40.14 student achievement for all student subgroups identified in section 120B.35, subdivision 3,
 40.15 paragraph (b), clause (2);

40.16 (2) a process ~~for assessing and evaluating~~ to assess and evaluate each student's
 40.17 progress toward meeting state and local academic standards, assess and identify students
 40.18 to participate in gifted and talented programs and accelerate their instruction, and adopt
 40.19 early-admission procedures consistent with section 120B.15, and identifying the strengths
 40.20 and weaknesses of instruction in pursuit of student and school success and curriculum
 40.21 affecting students' progress and growth toward career and college readiness and leading to
 40.22 the world's best workforce;

40.23 (3) a system to periodically review and evaluate the effectiveness of all instruction
 40.24 and curriculum, taking into account strategies and best practices, student outcomes, school
 40.25 principal evaluations under section 123B.147, subdivision 3, and teacher evaluations
 40.26 under section 122A.40, subdivision 8, or 122A.41, subdivision 5;

40.27 (4) strategies for improving instruction, curriculum, and student achievement,
 40.28 including the English and, where practicable, the native language development and the
 40.29 academic achievement of English learners;

40.30 (5) a process to examine the equitable distribution of teachers and strategies to
 40.31 ensure low-income and minority children are not taught at higher rates than other children
 40.32 by inexperienced, ineffective, or out-of-field teachers;

40.33 ~~(5) (6) education effectiveness practices that integrate high-quality instruction,~~
 40.34 ~~rigorous curriculum, technology, and a collaborative professional culture that develops~~
 40.35 ~~and supports teacher quality, performance, and effectiveness; and~~

41.1 ~~(6)~~ (7) an annual budget for continuing to implement the district plan.

41.2 Sec. 10. Minnesota Statutes 2014, section 120B.11, subdivision 5, is amended to read:

41.3 Subd. 5. **Report.** Consistent with requirements for school performance reports
41.4 under section 120B.36, subdivision 1, the school board shall publish a report in the
41.5 local newspaper with the largest circulation in the district, by mail, or by electronic
41.6 means on the district Web site. The school board shall hold an annual public meeting
41.7 to review, and revise where appropriate, student achievement goals, local assessment
41.8 outcomes, plans, strategies, and practices for improving curriculum and instruction
41.9 and cultural competency, and efforts to equitably distribute effective, experienced, and
41.10 in-field teachers, and to review district success in realizing the previously adopted student
41.11 achievement goals and related benchmarks and the improvement plans leading to the
41.12 world's best workforce. The school board must transmit an electronic summary of its
41.13 report to the commissioner in the form and manner the commissioner determines.

41.14 Sec. 11. Minnesota Statutes 2014, section 120B.15, is amended to read:

41.15 **120B.15 GIFTED AND TALENTED STUDENTS PROGRAMS.**

41.16 (a) School districts may identify students, locally develop programs addressing
41.17 instructional and affective needs, provide staff development, and evaluate programs to
41.18 provide gifted and talented students with challenging and appropriate educational programs.

41.19 (b) School districts must adopt guidelines for assessing and identifying students for
41.20 participation in gifted and talented programs consistent with section 120B.11, subdivision
41.21 2, clause (2). The guidelines should include the use of:

41.22 (1) multiple and objective criteria; and

41.23 (2) assessments and procedures that are valid and reliable, fair, and based on current
41.24 theory and research. Assessments and procedures should be sensitive to underrepresented
41.25 groups, including, but not limited to, low-income, minority, twice-exceptional, and
41.26 English learners.

41.27 (c) School districts must adopt procedures for the academic acceleration of gifted
41.28 and talented students consistent with section 120B.11, subdivision 2, clause (2). These
41.29 procedures must include how the district will:

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

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

41.33 (d) School districts must adopt procedures consistent with section 124D.02,
41.34 subdivision 1, for early admission to kindergarten or first grade of gifted and talented

42.1 learners consistent with section 120B.11, subdivision 2, clause (2). The procedures must
42.2 be sensitive to underrepresented groups.

42.3 Sec. 12. Minnesota Statutes 2015 Supplement, section 120B.30, subdivision 1, is
42.4 amended to read:

42.5 Subdivision 1. **Statewide testing.** (a) The commissioner, with advice from experts
42.6 with appropriate technical qualifications and experience and stakeholders, consistent with
42.7 subdivision 1a, shall include in the comprehensive assessment system, for each grade
42.8 level to be tested, state-constructed tests developed as computer-adaptive reading and
42.9 mathematics assessments for students that are aligned with the state's required academic
42.10 standards under section 120B.021, include multiple choice questions, and are administered
42.11 annually to all students in grades 3 through 8. State-developed high school tests aligned
42.12 with the state's required academic standards under section 120B.021 and administered
42.13 to all high school students in a subject other than writing must include multiple choice
42.14 questions. The commissioner shall establish one or more months during which schools
42.15 shall administer the tests to students each school year.

42.16 (1) Students enrolled in grade 8 through the 2009-2010 school year are eligible
42.17 to be assessed under (i) the graduation-required assessment for diploma in reading,
42.18 mathematics, or writing under Minnesota Statutes 2012, section 120B.30, subdivision 1,
42.19 paragraphs (c), clauses (1) and (2), and (d), (ii) the WorkKeys job skills assessment, (iii)
42.20 the Compass college placement test, (iv) the ACT assessment for college admission, (v) a
42.21 nationally recognized armed services vocational aptitude test.

42.22 (2) Students enrolled in grade 8 in the 2010-2011 or 2011-2012 school year are
42.23 eligible to be assessed under (i) the graduation-required assessment for diploma in reading,
42.24 mathematics, or writing under Minnesota Statutes 2012, section 120B.30, subdivision
42.25 1, paragraph (c), clauses (1) and (2), (ii) the WorkKeys job skills assessment, (iii) the
42.26 Compass college placement test, (iv) the ACT assessment for college admission, (v) a
42.27 nationally recognized armed services vocational aptitude test.

42.28 (3) For students under clause (1) or (2), a school district may substitute a score from
42.29 an alternative, equivalent assessment to satisfy the requirements of this paragraph.

42.30 (b) The state assessment system must be aligned to the most recent revision of
42.31 academic standards as described in section 120B.023 in the following manner:

42.32 (1) mathematics;

42.33 (i) grades 3 through 8 beginning in the 2010-2011 school year; and

42.34 (ii) high school level beginning in the 2013-2014 school year;

43.1 (2) science; grades 5 and 8 and at the high school level beginning in the 2011-2012
43.2 school year; and

43.3 (3) language arts and reading; grades 3 through 8 and high school level beginning in
43.4 the 2012-2013 school year.

43.5 (c) For students enrolled in grade 8 in the 2012-2013 school year and later, students'
43.6 state graduation requirements, based on a longitudinal, systematic approach to student
43.7 education and career planning, assessment, instructional support, and evaluation, include
43.8 the following:

43.9 (1) an opportunity to participate on a nationally normed college entrance exam,
43.10 in grade 11 or grade 12;

43.11 (2) achievement and career and college readiness in mathematics, reading, and
43.12 writing, consistent with paragraph (j) (k) and to the extent available, to monitor students'
43.13 continuous development of and growth in requisite knowledge and skills; analyze
43.14 students' progress and performance levels, identifying students' academic strengths and
43.15 diagnosing areas where students require curriculum or instructional adjustments, targeted
43.16 interventions, or remediation; and, based on analysis of students' progress and performance
43.17 data, determine students' learning and instructional needs and the instructional tools and
43.18 best practices that support academic rigor for the student; and

43.19 (3) consistent with this paragraph and section 120B.125, age-appropriate exploration
43.20 and planning activities and career assessments to encourage students to identify personally
43.21 relevant career interests and aptitudes and help students and their families develop a
43.22 regularly reexamined transition plan for postsecondary education or employment without
43.23 need for postsecondary remediation.

43.24 Based on appropriate state guidelines, students with an individualized education program
43.25 may satisfy state graduation requirements by achieving an individual score on the
43.26 state-identified alternative assessments.

43.27 (d) Expectations of schools, districts, and the state for career or college readiness
43.28 under this subdivision must be comparable in rigor, clarity of purpose, and rates of
43.29 student completion.

43.30 A student under paragraph (c), clause (2), must receive targeted, relevant,
43.31 academically rigorous, and resourced instruction, which may include a targeted instruction
43.32 and intervention plan focused on improving the student's knowledge and skills in core
43.33 subjects so that the student has a reasonable chance to succeed in a career or college
43.34 without need for postsecondary remediation. Consistent with sections 120B.13, 124D.09,
43.35 124D.091, 124D.49, and related sections, an enrolling school or district must actively
43.36 encourage a student in grade 11 or 12 who is identified as academically ready for a career

44.1 or college to participate in courses and programs awarding college credit to high school
44.2 students. Students are not required to achieve a specified score or level of proficiency on
44.3 an assessment under this subdivision to graduate from high school.

44.4 (e) Though not a high school graduation requirement, students are encouraged to
44.5 participate in a nationally recognized college entrance exam. ~~With funding provided by~~
44.6 ~~the~~ To the extent state funding for college entrance exam fees is available, a district must
44.7 pay the cost, one time, for an interested student in grade 11 or 12 to take a nationally
44.8 recognized college entrance exam before graduating. ~~A student must be able to take the~~
44.9 ~~exam under this paragraph at the student's high school during the school day and at any~~
44.10 ~~one of the multiple exam administrations available to students in the district.~~

44.11 (f) The commissioner and the chancellor of the Minnesota State Colleges and
44.12 Universities must collaborate in aligning instruction and assessments for adult basic
44.13 education students and English learners to provide the students with diagnostic information
44.14 about any targeted interventions, accommodations, modifications, and supports they
44.15 need so that assessments and other performance measures are accessible to them and
44.16 they may seek postsecondary education or employment without need for postsecondary
44.17 remediation. When administering formative or summative assessments used to measure
44.18 the academic progress, including the oral academic development, of English learners
44.19 and inform their instruction, schools must ensure that the assessments are accessible to
44.20 the students and students have the modifications and supports they need to sufficiently
44.21 understand the assessments.

44.22 (g) Districts and schools, on an annual basis, must use career exploration elements
44.23 to help students, beginning no later than grade 9, and their families explore and plan
44.24 for postsecondary education or careers based on the students' interests, aptitudes, and
44.25 aspirations. Districts and schools must use timely regional labor market information and
44.26 partnerships, among other resources, to help students and their families successfully
44.27 develop, pursue, review, and revise an individualized plan for postsecondary education or a
44.28 career. This process must help increase students' engagement in and connection to school,
44.29 improve students' knowledge and skills, and deepen students' understanding of career
44.30 pathways as a sequence of academic and career courses that lead to an industry-recognized
44.31 credential, an associate's degree, or a bachelor's degree and are available to all students,
44.32 whatever their interests and career goals.

44.33 (h) A student who demonstrates attainment of required state academic standards,
44.34 which include career and college readiness benchmarks, on high school assessments
44.35 under subdivision 1a is academically ready for a career or college and is encouraged to
44.36 participate in courses awarding college credit to high school students. Such courses and

45.1 programs may include sequential courses of study within broad career areas and technical
45.2 skill assessments that extend beyond course grades.

45.3 (i) As appropriate, students through grade 12 must continue to participate in targeted
45.4 instruction, intervention, or remediation and be encouraged to participate in courses
45.5 awarding college credit to high school students.

45.6 (j) In developing, supporting, and improving students' academic readiness for a
45.7 career or college, schools, districts, and the state must have a continuum of empirically
45.8 derived, clearly defined benchmarks focused on students' attainment of knowledge and
45.9 skills so that students, their parents, and teachers know how well students must perform to
45.10 have a reasonable chance to succeed in a career or college without need for postsecondary
45.11 remediation. The commissioner, in consultation with local school officials and educators,
45.12 and Minnesota's public postsecondary institutions must ensure that the foundational
45.13 knowledge and skills for students' successful performance in postsecondary employment
45.14 or education and an articulated series of possible targeted interventions are clearly
45.15 identified and satisfy Minnesota's postsecondary admissions requirements.

45.16 (k) For students in grade 8 in the 2012-2013 school year and later, a school, district,
45.17 or charter school must record on the high school transcript a student's progress toward
45.18 career and college readiness, and for other students as soon as practicable.

45.19 (l) The school board granting students their diplomas may formally decide to include
45.20 a notation of high achievement on the high school diplomas of those graduating seniors
45.21 who, according to established school board criteria, demonstrate exemplary academic
45.22 achievement during high school.

45.23 (m) The 3rd through 8th grade computer-adaptive assessment results and high school
45.24 test results shall be available to districts for diagnostic purposes affecting student learning
45.25 and district instruction and curriculum, and for establishing educational accountability.
45.26 The commissioner must establish empirically derived benchmarks on adaptive assessments
45.27 in grades 3 through 8 and the high school tests that reveal a trajectory toward career and
45.28 college readiness. The chancellor of the Minnesota State Colleges and Universities must
45.29 review and confirm the benchmarks established by the commissioner show that students
45.30 are able to successfully complete credit-bearing coursework at a Minnesota state college or
45.31 university, consistent with paragraph (p). The commissioner must disseminate to the public
45.32 the computer-adaptive assessments and high school test results upon receiving those results.

45.33 (n) The grades 3 through 8 computer-adaptive assessments and high school tests
45.34 must be aligned with state academic standards. The commissioner shall determine the
45.35 testing process and the order of administration. The statewide results shall be aggregated
45.36 at the site and district level, consistent with subdivision 1a.

46.1 (o) The commissioner shall include the following components in the statewide
46.2 public reporting system:

46.3 (1) uniform statewide computer-adaptive assessments of all students in grades 3
46.4 through 8 and testing at the high school levels that provides appropriate, technically sound
46.5 accommodations or alternate assessments;

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

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

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

46.14 (p) For purposes of statewide accountability, "career and college ready" means a
46.15 high school graduate has the knowledge, skills, and competencies to successfully pursue a
46.16 career pathway, including postsecondary credit leading to a degree, diploma, certificate, or
46.17 industry-recognized credential and employment. Students who are career and college ready
46.18 are able to successfully complete credit-bearing coursework at a two- or four-year college
46.19 or university or other credit-bearing postsecondary program without need for remediation.

46.20 (q) For purposes of statewide accountability, "cultural competence," "cultural
46.21 competency," or "culturally competent" means the ability and will to interact effectively
46.22 with people of different cultures, native languages, and socioeconomic backgrounds.

46.23 **EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and
46.24 later.

46.25 Sec. 13. Minnesota Statutes 2015 Supplement, section 120B.30, subdivision 1a,
46.26 is amended to read:

46.27 Subd. 1a. **Statewide and local assessments; results.** (a) For purposes of this
46.28 section, the following definitions have the meanings given them.

46.29 (1) "Computer-adaptive assessments" means fully adaptive assessments.

46.30 (2) "Fully adaptive assessments" include test items that are on-grade level and items
46.31 that may be above or below a student's grade level.

46.32 (3) "On-grade level" test items contain subject area content that is aligned to state
46.33 academic standards for the grade level of the student taking the assessment.

46.34 (4) "Above-grade level" test items contain subject area content that is above the
46.35 grade level of the student taking the assessment and is considered aligned with state

47.1 academic standards to the extent it is aligned with content represented in state academic
47.2 standards above the grade level of the student taking the assessment. Notwithstanding
47.3 the student's grade level, administering above-grade level test items to a student does not
47.4 violate the requirement that state assessments must be aligned with state standards.

47.5 (5) "Below-grade level" test items contain subject area content that is below the
47.6 grade level of the student taking the test and is considered aligned with state academic
47.7 standards to the extent it is aligned with content represented in state academic standards
47.8 below the student's current grade level. Notwithstanding the student's grade level,
47.9 administering below-grade level test items to a student does not violate the requirement
47.10 that state assessments must be aligned with state standards.

47.11 (b) The commissioner must use fully adaptive mathematics and reading assessments
47.12 for grades 3 through 8.

47.13 (c) For purposes of conforming with existing federal educational accountability
47.14 requirements, the commissioner must develop and implement computer-adaptive reading
47.15 and mathematics assessments for grades 3 through 8, state-developed high school reading
47.16 and mathematics tests aligned with state academic standards, a high school writing
47.17 test aligned with state standards when it becomes available, and science assessments
47.18 under clause (2) that districts and sites must use to monitor student growth toward
47.19 achieving those standards. The commissioner must not develop statewide assessments for
47.20 academic standards in social studies, except a civics test consistent with section 120B.02,
47.21 subdivision 3, health and physical education, and the arts. The commissioner must require:

47.22 (1) annual computer-adaptive reading and mathematics assessments in grades 3
47.23 through 8, and high school reading, writing, and mathematics tests; and

47.24 (2) annual science assessments in one grade in the grades 3 through 5 span, the
47.25 grades 6 through 8 span, and a life sciences assessment in the grades 9 through 12 span,
47.26 and the commissioner must not require students to achieve a passing score on high school
47.27 science assessments as a condition of receiving a high school diploma.

47.28 (d) The commissioner must ensure that for annual computer-adaptive assessments:

47.29 (1) individual student performance data and achievement reports are available
47.30 within three school days of when students take an assessment except in a year when an
47.31 assessment reflects new performance standards;

47.32 (2) growth information is available for each student from the student's first
47.33 assessment to each proximate assessment using a constant measurement scale;

47.34 (3) parents, teachers, and school administrators are able to use elementary and
47.35 middle school student performance data to project students' secondary and postsecondary
47.36 achievement; and

48.1 (4) useful diagnostic information about areas of students' academic strengths and
48.2 weaknesses is available to teachers and school administrators for improving student
48.3 instruction and indicating the specific skills and concepts that should be introduced and
48.4 developed for students at given performance levels, organized by strands within subject
48.5 areas, and aligned to state academic standards.

48.6 (e) The commissioner must ensure that all state tests administered to elementary and
48.7 secondary students measure students' academic knowledge and skills and not students'
48.8 values, attitudes, and beliefs.

48.9 (f) Reporting of state assessment results must:

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

48.12 (2) include a growth indicator of student achievement; and

48.13 (3) determine whether students have met the state's academic standards.

48.14 (g) Consistent with applicable federal law, the commissioner must include
48.15 appropriate, technically sound accommodations or alternative assessments for the very
48.16 few students with disabilities for whom statewide assessments are inappropriate and
48.17 for English learners.

48.18 (h) A school, school district, and charter school must administer statewide
48.19 assessments under this section, as the assessments become available, to evaluate student
48.20 progress toward career and college readiness in the context of the state's academic
48.21 standards. A school, school district, or charter school may use a student's performance
48.22 on a statewide assessment as one of multiple criteria to determine grade promotion or
48.23 retention. A school, school district, or charter school may use a high school student's
48.24 performance on a statewide assessment as a percentage of the student's final grade in a
48.25 course, or place a student's assessment score on the student's transcript.

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

48.27 Sec. 14. Minnesota Statutes 2015 Supplement, section 120B.31, subdivision 4, is
48.28 amended to read:

48.29 Subd. 4. **Student performance data.** In developing policies and assessment
48.30 processes to hold schools and districts accountable for high levels of academic standards
48.31 under section 120B.021, the commissioner shall aggregate and disaggregate student
48.32 data over time to report summary student performance and growth levels and, under
48.33 section 120B.11, subdivision 2, clause (2), student learning and outcome data measured
48.34 at the school, school district, and statewide level. ~~When collecting and reporting the~~
48.35 ~~performance data,~~ The commissioner shall use the student categories identified under the

49.1 federal Elementary and Secondary Education Act, as most recently reauthorized, and
 49.2 student categories of homelessness, ethnicity, race, home language, immigrant, refugee
 49.3 status, English language learners under section 124D.59, free or reduced-price lunch,
 49.4 and other categories designated by federal law to organize and report the data so that
 49.5 state and local policy makers can understand the educational implications of changes in
 49.6 districts' demographic profiles over time, ~~including student homelessness~~, as data are
 49.7 available, ~~among other demographic factors~~. Any report the commissioner disseminates
 49.8 containing summary data on student performance must integrate student performance and
 49.9 the demographic factors that strongly correlate with that performance.

49.10 **EFFECTIVE DATE.** This section is effective for the 2017-2018 school year and
 49.11 later.

49.12 Sec. 15. Minnesota Statutes 2014, section 120B.35, is amended to read:

49.13 **120B.35 STUDENT ACADEMIC ACHIEVEMENT AND GROWTH.**

49.14 Subdivision 1. ~~School and Student indicators of growth and achievement.~~

49.15 The commissioner must develop and implement a system for measuring and reporting
 49.16 academic achievement and individual student growth, consistent with the statewide
 49.17 educational accountability and reporting system. The system components must measure
 49.18 and separately report the ~~adequate yearly progress~~ federal expectations of schools and
 49.19 the growth of individual students: students' current achievement in schools under
 49.20 subdivision 2; and individual students' educational growth over time under subdivision
 49.21 3. The system also must include statewide measures of student academic growth that
 49.22 identify schools with high levels of growth, and also schools with low levels of growth
 49.23 that need improvement. ~~When determining a school's effect,~~ The data must include
 49.24 both statewide measures of student achievement and, to the extent annual tests are
 49.25 administered, indicators of achievement growth that take into account a student's prior
 49.26 achievement. Indicators of achievement and prior achievement must be based on highly
 49.27 reliable statewide or districtwide assessments. Indicators that take into account a student's
 49.28 prior achievement must not be used to disregard a school's low achievement or to exclude
 49.29 a school from a program to improve low achievement levels.

49.30 Subd. 2. **Federal Expectations for student academic achievement.** (a) Each
 49.31 school year, a school district must determine if the student achievement levels at each
 49.32 school site meet federal expectations. If student achievement levels at a school site do
 49.33 not meet federal expectations ~~and the site has not made adequate yearly progress for two~~
 49.34 ~~consecutive school years, beginning with the 2001-2002 school year,~~ the district must

50.1 work with the school site to adopt a plan to raise student achievement levels to meet
50.2 federal expectations. The commissioner of education shall establish student academic
50.3 achievement levels to comply with this paragraph.

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

50.9 (c) The commissioner must:

50.10 (1) assist school sites and districts identified as not meeting federal expectations; and

50.11 (2) provide technical assistance to schools that integrate student achievement
50.12 measures into the school continuous improvement plan.

50.13 (d) The commissioner shall establish and maintain a continuous improvement Web
50.14 site designed to make aggregated and disaggregated student growth and, under section
50.15 120B.11, subdivision 2, clause (2), student learning and outcome data on every school
50.16 and district available to parents, teachers, administrators, community members, and the
50.17 general public, consistent with this section.

50.18 Subd. 3. **State growth target; other state measures.** (a)(1) The state's educational
50.19 assessment system measuring individual students' educational growth is based on
50.20 indicators of achievement growth that show an individual student's prior achievement.
50.21 Indicators of achievement and prior achievement must be based on highly reliable
50.22 statewide or districtwide assessments.

50.23 (2) For purposes of paragraphs (b), (c), and (d), the commissioner must analyze and
50.24 report separate categories of information using the student categories identified under the
50.25 federal Elementary and Secondary Education Act, as most recently reauthorized and, in
50.26 addition to the Karen community, other student categories as determined by the total
50.27 Minnesota population at or above the 1,000-person threshold based on the most recent
50.28 decennial census, including ethnicity; race; refugee status; English language learners
50.29 under section 124D.59; home language; free or reduced-price lunch; immigrant; and all
50.30 students enrolled in a Minnesota public school who are currently or were previously in
50.31 foster care, except that such disaggregation and cross tabulation is not required if the
50.32 number of students in a category is insufficient to yield statistically reliable information or
50.33 the results would reveal personally identifiable information about an individual student.

50.34 (b) The commissioner, in consultation with a stakeholder group that includes
50.35 assessment and evaluation directors, district staff, experts in culturally responsive teaching,
50.36 and researchers, must implement a model that uses a value-added growth indicator and

51.1 includes criteria for identifying schools and school districts that demonstrate medium and
51.2 high growth under section 120B.299, subdivisions 8 and 9, and may recommend other
51.3 value-added measures under section 120B.299, subdivision 3. The model may be used
51.4 to advance educators' professional development and replicate programs that succeed in
51.5 meeting students' diverse learning needs. Data on individual teachers generated under the
51.6 model are personnel data under section 13.43. The model must allow users to:

51.7 (1) report student growth consistent with this paragraph; and
51.8 (2) for all student categories, report and compare aggregated and disaggregated state
51.9 student growth and, under section 120B.11, subdivision 2, clause (2), student learning
51.10 and outcome data using the nine student categories identified under the federal 2001 No
51.11 Child Left Behind Act and two student gender categories of male and female, respectively,
51.12 following appropriate reporting practices to protect nonpublic student data Elementary
51.13 and Secondary Education Act, as most recently reauthorized, and other student categories
51.14 under paragraph (a), clause (2).

51.15 The commissioner must report measures of student growth and, under section
51.16 120B.11, subdivision 2, clause (2), student learning and outcome data, consistent with
51.17 this paragraph, including the English language development, academic progress, and oral
51.18 academic development of English learners and their native language development if the
51.19 native language is used as a language of instruction, and include data on all pupils enrolled
51.20 in a Minnesota public school course or program who are currently or were previously
51.21 counted as an English learner under section 124D.59.

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

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

51.31 (2) a rigorous coursework measure indicating the number and percentage of high
51.32 school graduates in the most recent school year who successfully completed one or more
51.33 college-level advanced placement, international baccalaureate, postsecondary enrollment
51.34 options including concurrent enrollment, other rigorous courses of study under section
51.35 120B.021, subdivision 1a, or industry certification courses or programs.

52.1 When reporting the core measures under clauses (1) and (2), the commissioner must also
52.2 analyze and report separate categories of information using the ~~nine~~ student categories
52.3 identified under the federal ~~2001 No Child Left Behind Act and two student gender~~
52.4 ~~categories of male and female, respectively, following appropriate reporting practices to~~
52.5 ~~protect nonpublic student data~~ Elementary and Secondary Education Act, as most recently
52.6 reauthorized, and other student categories under paragraph (a), clause (2).

52.7 (d) When reporting student performance under section 120B.36, subdivision 1, the
52.8 commissioner annually, beginning July 1, 2014, must report summary data on school
52.9 safety and students' engagement and connection at school, consistent with the student
52.10 categories identified under paragraph (a), clause (2). The summary data under this
52.11 paragraph are separate from and must not be used for any purpose related to measuring
52.12 or evaluating the performance of classroom teachers. The commissioner, in consultation
52.13 with qualified experts on student engagement and connection and classroom teachers,
52.14 must identify highly reliable variables that generate summary data under this paragraph.
52.15 The summary data may be used at school, district, and state levels only. Any data on
52.16 individuals received, collected, or created that are used to generate the summary data
52.17 under this paragraph are nonpublic data under section 13.02, subdivision 9.

52.18 (e) For purposes of statewide educational accountability, the commissioner must
52.19 identify and report measures that demonstrate the success of learning year program
52.20 providers under sections 123A.05 and 124D.68, among other such providers, in improving
52.21 students' graduation outcomes. The commissioner, beginning July 1, 2015, must annually
52.22 report summary data on:

52.23 (1) the four- and six-year graduation rates of students under this paragraph;

52.24 (2) the percent of students under this paragraph whose progress and performance
52.25 levels are meeting career and college readiness benchmarks under section 120B.30,
52.26 subdivision 1; and

52.27 (3) the success that learning year program providers experience in:

52.28 (i) identifying at-risk and off-track student populations by grade;

52.29 (ii) providing successful prevention and intervention strategies for at-risk students;

52.30 (iii) providing successful recuperative and recovery or reenrollment strategies for
52.31 off-track students; and

52.32 (iv) improving the graduation outcomes of at-risk and off-track students.

52.33 The commissioner may include in the annual report summary data on other education
52.34 providers serving a majority of students eligible to participate in a learning year program.

52.35 (f) The commissioner, in consultation with recognized experts with knowledge and
52.36 experience in assessing the language proficiency and academic performance of all English

53.1 learners enrolled in a Minnesota public school course or program who are currently or were
 53.2 previously counted as an English learner under section 124D.59, must identify and report
 53.3 appropriate and effective measures to improve current categories of language difficulty and
 53.4 assessments, and monitor and report data on students' English proficiency levels, program
 53.5 placement, and academic language development, including oral academic language.

53.6 Subd. 4. **Improving schools.** Consistent with the requirements of this section,
 53.7 beginning June 20, 2012, the commissioner of education must annually report to the
 53.8 public and the legislature best practices implemented in those schools that ~~demonstrate~~
 53.9 ~~high growth compared to the state growth target~~ are identified as high performing under
 53.10 federal expectations.

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

53.17 (b) A district must develop a plan in conjunction with parents of students with
 53.18 emotional or behavioral disorders and the local mental health authority to increase the
 53.19 graduation rates of students with emotional or behavioral disorders. A district with a
 53.20 drop-out rate for children with an emotional or behavioral disturbance in grades 9 through
 53.21 12 that is in the top 25 percent of all districts shall submit a plan for review and oversight
 53.22 to the commissioner.

53.23 **EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and
 53.24 later.

53.25 Sec. 16. Minnesota Statutes 2014, section 120B.36, as amended by Laws 2015, First
 53.26 Special Session chapter 3, article 2, section 8, is amended to read:

53.27 **120B.36 SCHOOL ACCOUNTABILITY; ~~APPEALS PROCESS.~~**

53.28 Subdivision 1. **School performance reports.** (a) The commissioner shall report
 53.29 student academic performance data under section 120B.35, ~~subdivision~~ subdivisions
 53.30 2 and 3; the percentages of students showing low, medium, and high growth under
 53.31 section 120B.35, subdivision 3, paragraph (b); school safety and student engagement and
 53.32 connection under section 120B.35, subdivision 3, paragraph (d); rigorous coursework
 53.33 under section 120B.35, subdivision 3, paragraph (c); the percentage of students under
 53.34 section 120B.35, subdivision 3, paragraph (b), clause (2), whose progress and performance

54.1 levels are meeting career and college readiness benchmarks under sections 120B.30,
 54.2 subdivision 1, and 120B.35, subdivision 3, paragraph (e); longitudinal data on the progress
 54.3 of eligible districts in reducing disparities in students' academic achievement and realizing
 54.4 racial and economic integration under section 124D.861; the acquisition of English, and
 54.5 where practicable, native language academic literacy, including oral academic language,
 54.6 and the academic progress of all English learners under section 124D.59, subdivisions
 54.7 2 and 2a enrolled in a Minnesota public school course or program who are currently or
 54.8 were previously counted as English learners under section 124D.59; the total number of
 54.9 students by grade who correctly answered at least 30 of 50 civics test questions under
 54.10 section 120B.02, subdivision 3; two separate student-to-teacher ratios that clearly indicate
 54.11 the definition of teacher consistent with sections 122A.06 and 122A.15 for purposes
 54.12 of determining these ratios; staff characteristics excluding salaries; student enrollment
 54.13 demographics; foster care status, including all students enrolled in a Minnesota public
 54.14 school course or program who are currently or were previously in foster care, student
 54.15 homelessness, and district mobility; and extracurricular activities. The report also must
 54.16 indicate a school's adequate yearly progress status under applicable federal law, and must
 54.17 not set any designations applicable to high- and low-performing schools due solely to
 54.18 adequate yearly progress status.

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

54.21 (c) The commissioner must make available performance reports by the beginning
 54.22 of each school year.

54.23 (d) A school or district may appeal its ~~adequate yearly progress status in writing~~
 54.24 ~~to the commissioner within 30 days of receiving the notice of its status results in a form~~
 54.25 and manner determined by the commissioner and consistent with federal law. The
 54.26 commissioner's decision to uphold or deny an appeal is final.

54.27 (e) School performance data are nonpublic data under section 13.02, subdivision 9,
 54.28 until the commissioner publicly releases the data. The commissioner shall annually post
 54.29 school performance reports to the department's public Web site no later than September 1,
 54.30 except that in years when the reports reflect new performance standards, the commissioner
 54.31 shall post the school performance reports no later than October 1.

54.32 Subd. 2. **Adequate yearly Student progress and other data.** (a) All data the
 54.33 department receives, collects, or creates under section 120B.11, governing the world's
 54.34 best workforce or to determine adequate yearly progress status under Public Law 107-110,
 54.35 section 1116 federal expectations under the most recently reauthorized Elementary and
 54.36 Secondary Education Act, set state growth targets, and determine student growth, learning,

55.1 and outcomes under section 120B.35 are nonpublic data under section 13.02, subdivision
 55.2 9, until the commissioner publicly releases the data.

55.3 (b) Districts must provide parents sufficiently detailed summary data to permit
 55.4 parents to appeal under ~~Public Law 107-110, section 1116(b)(2)~~ the most recently
 55.5 reauthorized federal Elementary and Secondary Education Act. The commissioner shall
 55.6 annually post federal ~~adequate yearly progress data~~ expectations and state student growth,
 55.7 learning, and outcome data to the department's public Web site no later than September 1,
 55.8 except that in years when ~~adequate yearly progress reflects~~ data or federal expectations
 55.9 reflect new performance standards, the commissioner shall post ~~federal adequate yearly~~
 55.10 progress data on federal expectations and state student growth data no later than October 1.

55.11 **EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and
 55.12 later, except the requirement to report civics test data is effective for the 2018-2019 school
 55.13 year and later.

55.14 Sec. 17. Minnesota Statutes 2014, section 121A.53, is amended to read:

55.15 **121A.53 REPORT TO COMMISSIONER OF EDUCATION.**

55.16 Subdivision 1. **Exclusions and expulsions; physical assaults.** The school board
 55.17 must report through the department electronic reporting system each exclusion or
 55.18 expulsion and each physical assault of a district employee by a student within 30 days
 55.19 of the effective date of the dismissal action or assault to the commissioner of education.
 55.20 This report must include a statement of alternative educational services, or other sanction,
 55.21 intervention, or resolution in response to the assault given the pupil and the reason for,
 55.22 the effective date, and the duration of the exclusion or expulsion or other sanction,
 55.23 intervention, or resolution. The report must also include the student's age, grade, gender,
 55.24 race, and special education status.

55.25 Subd. 2. **Report.** (a) The school board must include state student identification
 55.26 numbers of affected pupils on all dismissal and other disciplinary reports required by the
 55.27 department. The department must report annually to the commissioner summary data on the
 55.28 number of dismissals and physical assaults of district employees by a student by age, grade,
 55.29 gender, race, and special education status of the affected pupils. All dismissal and other
 55.30 disciplinary reports must be submitted through the department electronic reporting system.

55.31 (b) The commissioner must aggregate the district data reported under this section and
 55.32 include the aggregated data, including aggregated data on physical assaults of a district
 55.33 employee by a student, in the annual school performance reports under section 120B.36.

56.1 **EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and
56.2 later.

56.3 Sec. 18. Minnesota Statutes 2014, section 121A.61, subdivision 1, is amended to read:

56.4 Subdivision 1. **Required policy.** Each school board must adopt a written
56.5 districtwide school discipline policy which includes written rules of conduct for
56.6 students, minimum consequences for violations of the rules, and grounds and procedures
56.7 for removal of a student from class. The policy must be developed in consultation
56.8 with administrators, teachers, employees, pupils, parents, community members, law
56.9 enforcement agencies, county attorney offices, social service agencies, and such other
56.10 individuals or organizations as the board determines appropriate. The policy must be
56.11 consistent with a teacher's authority for controlling and managing student behavior in the
56.12 classroom under section 122A.42. A school site council may adopt additional provisions
56.13 to the policy subject to the approval of the school board.

56.14 **EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and
56.15 later.

56.16 Sec. 19. Minnesota Statutes 2014, section 121A.64, is amended to read:

56.17 **121A.64 NOTIFICATION; TEACHERS' LEGITIMATE EDUCATIONAL**
56.18 **INTEREST.**

56.19 (a) A classroom teacher has a legitimate educational interest in knowing which
56.20 students placed in the teacher's classroom have a history of violent behavior, including any
56.21 documented physical assault of a district employee by the student, and must be notified
56.22 before such students are placed in the teacher's classroom.

56.23 (b) Representatives of the school board and the exclusive representative of the
56.24 teachers shall discuss issues related to the model policy on student records adopted under
56.25 Laws 1999, chapter 241, article 9, section 50, and any modifications adopted under Laws
56.26 2003, First Special Session chapter 9, for notifying classroom teachers and other school
56.27 district employees having a legitimate educational interest in knowing about students with
56.28 a history of violent behavior, including any documented physical assault of a district
56.29 employee by students placed in classrooms. The representatives of the school board and
56.30 the exclusive representative of the teachers also may discuss the need for intervention
56.31 services or conflict resolution or training for staff related to placing students with a history
56.32 of violent behavior in teachers' classrooms.

57.1 **EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and
57.2 later.

57.3 Sec. 20. Minnesota Statutes 2014, section 122A.07, subdivision 2, is amended to read:

57.4 Subd. 2. **Eligibility; board composition.** Except for the representatives of higher
57.5 education, school administrators, and the public, to be eligible for appointment to the
57.6 Board of Teaching a person must be a teacher currently teaching in a Minnesota school
57.7 and fully licensed for the position held and have at least five years teaching experience in
57.8 Minnesota, including the two years immediately preceding nomination and appointment.
57.9 Each nominee, other than a public nominee, must be selected on the basis of professional
57.10 experience and knowledge of teacher education, accreditation, and licensure. The board
57.11 must be composed of:

57.12 (1) six teachers who are currently teaching in a Minnesota school or who were
57.13 teaching at the time of the appointment and who do not qualify under clause (2) or (3), at
57.14 least four of whom must be teaching in a public school;

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

57.17 (3) one school administrator; and

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

57.20 **EFFECTIVE DATE.** This section is effective the day following final enactment
57.21 and applies to all board appointments made after that date.

57.22 Sec. 21. Minnesota Statutes 2014, section 122A.09, is amended by adding a
57.23 subdivision to read:

57.24 Subd. 3a. **Board of Teaching; duties and responsibilities clarified.** Consistent
57.25 with sections 15.039 and 16B.37, the Board of Teaching is responsible for licensing
57.26 teachers and issuing special permissions to teach and must perform all licensure-related
57.27 duties and meet all licensure-related responsibilities under this section, among other
57.28 statutory licensure-related requirements. At the direction of the board, the department
57.29 may perform administrative functions related to issuing teacher licenses. To the extent a
57.30 conflict exists between this section and another section governing teacher licensing, the
57.31 provisions of this section prevail.

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

58.1 Sec. 22. Minnesota Statutes 2014, section 122A.09, subdivision 10, is amended to read:

58.2 Subd. 10. **Variance Permissions.** (a) Notwithstanding subdivision 9 and
58.3 section 14.05, subdivision 4, the Board of Teaching may grant a variance to its rules
58.4 upon application by a school district or a charter school for purposes of implementing
58.5 experimental programs in learning or management.

58.6 (b) To enable a school district or a charter school to meet the needs of students
58.7 enrolled in an alternative education program and to enable licensed teachers instructing
58.8 those students to satisfy content area licensure requirements, the Board of Teaching
58.9 annually may permit a licensed teacher teaching in an alternative education program to
58.10 instruct students in a content area for which the teacher is not licensed, consistent with
58.11 paragraph (a).

58.12 (c) A special education license variance issued by the Board of Teaching for a
58.13 primary employer's low-incidence region ~~shall be~~ is valid in all low-incidence regions.

58.14 (d) The Board of Teaching may issue a one-year professional license under
58.15 paragraph (a), which the board may renew two times, to allow a person holding a full
58.16 credential from the American Montessori Society, a diploma from Association Montessori
58.17 Internationale, or a certificate of completion from a program accredited by the Montessori
58.18 Accreditation Council for Teacher Education to teach in a Montessori program operated
58.19 by a school district or charter school.

58.20 (e) The Board of Teaching may grant a one-year waiver, renewable two times,
58.21 to allow individuals who hold a bachelor's degree from an accredited postsecondary
58.22 institution, demonstrate occupational competency based on at least three years of full-time
58.23 work experience in business or industry, and enroll and make satisfactory progress in
58.24 an alternative preparation program leading to certification or licensure as a career and
58.25 technical education instructor or teacher to teach career and technical education courses
58.26 offered by a school district or charter school. Consistent with this paragraph and section
58.27 136F.361, the Board of Teaching must strongly encourage teacher preparation programs
58.28 and institutions throughout Minnesota to develop alternative pathways for certifying and
58.29 licensing high school career and technical education instructors and teachers, allowing
58.30 such candidates to meet certification and licensure standards that demonstrate their content
58.31 knowledge, classroom experience, and pedagogical practices and their qualifications
58.32 based on a combination of occupational testing, professional certification or licensure, and
58.33 long-standing work experience.

58.34 **EFFECTIVE DATE.** Paragraphs (d) and (e) are effective for the 2016-2017
58.35 through 2018-2019 school years.

59.1 Sec. 23. Minnesota Statutes 2014, section 122A.16, is amended to read:

59.2 **122A.16 HIGHLY QUALIFIED TEACHER DEFINED.**

59.3 (a) A qualified teacher is one holding a valid license, under this chapter, to perform
59.4 the particular service for which the teacher is employed in a public school.

59.5 ~~(b) For the purposes of the federal No Child Left Behind Act, a highly qualified~~
59.6 ~~teacher is one who holds a valid license under this chapter, including under section~~
59.7 ~~122A.245, among other sections and is determined by local administrators as having~~
59.8 ~~highly qualified status according to the approved Minnesota highly qualified plan.~~

59.9 ~~Teachers delivering core content instruction must be deemed highly qualified at the local~~
59.10 ~~level and reported to the state via the staff automated reporting system.~~

59.11 Sec. 24. Minnesota Statutes 2014, section 122A.245, subdivision 8, is amended to read:

59.12 Subd. 8. **Highly Qualified teacher.** A person holding a valid limited-term license
59.13 under this section is a highly qualified teacher and the teacher of record under section
59.14 122A.16.

59.15 Sec. 25. Minnesota Statutes 2015 Supplement, section 122A.30, is amended to read:

59.16 **122A.30 EXEMPTION FOR TECHNICAL EDUCATION INSTRUCTORS.**

59.17 (a) Notwithstanding section 122A.15, subdivision 1, and upon approval of the local
59.18 employer school board, a person who teaches ~~in~~ as a part-time vocational or career and
59.19 technical education ~~program~~ teacher is exempt from a license requirement. Nothing in
59.20 this section shall exclude licensed career and technical educators from the definition of
59.21 "teacher" in section 122A.40, 122A.41, or 179A.03.

59.22 ~~(b) This section expires June 30, 2020.~~

59.23 Sec. 26. Minnesota Statutes 2014, section 122A.40, subdivision 10, is amended to read:

59.24 Subd. 10. **Negotiated unrequested leave of absence.** The school board and the
59.25 exclusive bargaining representative of the teachers ~~may~~ must negotiate a plan providing for
59.26 unrequested leave of absence without pay or fringe benefits for as many teachers as may
59.27 be necessary because of discontinuance of position, lack of pupils, financial limitations, or
59.28 merger of classes caused by consolidation of districts. ~~Failing to successfully negotiate such~~
59.29 ~~a plan, the provisions of subdivision 11 shall apply. The negotiated plan must not include~~
59.30 ~~provisions which would result in the exercise of seniority by a teacher holding a provisional~~
59.31 ~~license, other than a vocational education license, contrary to the provisions of subdivision~~
59.32 ~~11, paragraph (c), or the reinstatement of a teacher holding a provisional license, other~~

60.1 ~~than a vocational education license, contrary to the provisions of subdivision 11, paragraph~~
60.2 ~~(e). The provisions of section 179A.16 do not apply for the purposes of this subdivision.~~

60.3 **EFFECTIVE DATE.** This section is effective July 1, 2017.

60.4 Sec. 27. Minnesota Statutes 2014, section 122A.41, is amended by adding a
60.5 subdivision to read:

60.6 Subd. 14a. **Negotiated unrequested leave of absence.** The school board and the
60.7 exclusive bargaining representative of the teachers must negotiate a plan providing for
60.8 unrequested leave of absence without pay or fringe benefits for as many teachers as may
60.9 be necessary because of discontinuance of position, lack of pupils, financial limitations,
60.10 or merger of classes caused by consolidation of districts.

60.11 **EFFECTIVE DATE.** This section is effective July 1, 2017.

60.12 Sec. 28. Minnesota Statutes 2015 Supplement, section 122A.414, subdivision 1,
60.13 is amended to read:

60.14 Subdivision 1. **Restructured pay system.** A restructured alternative teacher
60.15 professional pay system is established under subdivision 2 to provide incentives to
60.16 encourage teachers to improve their knowledge and instructional skills in order to improve
60.17 student learning and for school districts, intermediate school districts, cooperative units,
60.18 as defined in section 123A.24, subdivision 2, and charter schools to recruit and retain
60.19 ~~highly~~ qualified teachers, encourage ~~highly~~ qualified teachers to undertake challenging
60.20 assignments, and support teachers' roles in improving students' educational achievement.

60.21 Sec. 29. Minnesota Statutes 2015 Supplement, section 122A.414, subdivision 2,
60.22 is amended to read:

60.23 Subd. 2. **Alternative teacher professional pay system.** (a) To participate in this
60.24 program, a school district, intermediate school district, school site, or charter school must
60.25 ~~have an educational improvement plan under section 122A.413~~ a world's best workforce
60.26 plan under section 120B.11 and an alternative teacher professional pay system agreement
60.27 under paragraph (b). A charter school participant also must comply with subdivision 2a.

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

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

60.31 (2) describe how the school district, intermediate school district, school site, or
60.32 charter school will provide teachers with career advancement options that allow teachers

61.1 to retain primary roles in student instruction and facilitate site-focused professional
61.2 development that helps other teachers improve their skills;

61.3 (3) reform the "steps and lanes" salary schedule, prevent any teacher's compensation
61.4 paid before implementing the pay system from being reduced as a result of participating in
61.5 this system, base at least 60 percent of any compensation increase on teacher performance
61.6 using:

61.7 (i) schoolwide student achievement gains under section 120B.35 or locally selected
61.8 standardized assessment outcomes, or both;

61.9 (ii) measures of student growth and literacy that may include value-added models
61.10 or student learning goals, consistent with section 122A.40, subdivision 8, paragraph
61.11 (b), clause (9), or 122A.41, subdivision 5, paragraph (b), clause (9), and other measures
61.12 that include the academic literacy, oral academic language, and achievement of English
61.13 learners under section 122A.40, subdivision 8, paragraph (b), clause (10), or 122A.41,
61.14 subdivision 5, paragraph (b), clause (10); and

61.15 (iii) an objective evaluation program under section 122A.40, subdivision 8,
61.16 paragraph (b), clause (2), or 122A.41, subdivision 5, paragraph (b), clause (2);

61.17 (4) provide for participation in job-embedded learning opportunities such as
61.18 professional learning communities to improve instructional skills and learning that are
61.19 aligned with student needs under section ~~122A.413~~ 120B.11, consistent with the staff
61.20 development plan under section 122A.60 and led during the school day by trained teacher
61.21 leaders such as master or mentor teachers;

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

61.25 (6) encourage collaboration rather than competition among teachers.

61.26 (c) The alternative teacher professional pay system may:

61.27 (1) include a hiring bonus or other added compensation for teachers who are
61.28 identified as effective or highly effective under the local teacher professional review
61.29 cycle and work in a hard-to-fill position or in a hard-to-staff school such as a school with
61.30 a majority of students whose families meet federal poverty guidelines, a geographically
61.31 isolated school, or a school identified by the state as eligible for targeted programs or
61.32 services for its students; and

61.33 (2) include incentives for teachers to obtain a master's degree or other advanced
61.34 certification in their content field of licensure, pursue the training or education necessary
61.35 to obtain an additional licensure in shortage areas identified by the district or charter
61.36 school, or help fund a "grow your own" new teacher initiative.

62.1 Sec. 30. Minnesota Statutes 2015 Supplement, section 122A.414, subdivision 2b,
62.2 is amended to read:

62.3 Subd. 2b. **Approval process.** (a) Consistent with the requirements of this section
62.4 and ~~sections 122A.413 and~~ section 122A.415, the department must prepare and transmit
62.5 to interested school districts, intermediate school districts, cooperatives, school sites,
62.6 and charter schools a standard form for applying to participate in the alternative teacher
62.7 professional pay system. The commissioner annually must establish three dates as
62.8 deadlines by which interested applicants must submit an application to the commissioner
62.9 under this section. An interested school district, intermediate school district, cooperative,
62.10 school site, or charter school must submit to the commissioner a completed application
62.11 executed by the district superintendent and the exclusive bargaining representative of the
62.12 teachers if the applicant is a school district, intermediate school district, or school site, or
62.13 executed by the charter school board of directors if the applicant is a charter school or
62.14 executed by the governing board if the applicant is a cooperative unit. The application
62.15 must include the proposed alternative teacher professional pay system agreement under
62.16 subdivision 2. The department must review a completed application within 30 days of
62.17 the most recent application deadline and recommend to the commissioner whether to
62.18 approve or disapprove the application. The commissioner must approve applications
62.19 on a first-come, first-served basis. The applicant's alternative teacher professional pay
62.20 system agreement must be legally binding on the applicant and the collective bargaining
62.21 representative before the applicant receives alternative compensation revenue. The
62.22 commissioner must approve or disapprove an application based on the requirements
62.23 under subdivisions 2 and 2a.

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

62.31 Sec. 31. Minnesota Statutes 2014, section 122A.4144, is amended to read:

62.32 **122A.4144 SUPPLEMENTAL AGREEMENTS; ALTERNATIVE TEACHER**
62.33 **PAY.**

62.34 Notwithstanding section 179A.20 or other law to the contrary, a school board and
62.35 the exclusive representative of the teachers may agree to reopen a collective bargaining

63.1 agreement for the purpose of entering into an alternative teacher professional pay system
 63.2 agreement under sections ~~122A.413~~, 122A.414, and 122A.415. Negotiations for a contract
 63.3 reopened under this section must be limited to issues related to the alternative teacher
 63.4 professional pay system.

63.5 Sec. 32. Minnesota Statutes 2014, section 122A.416, is amended to read:

63.6 **122A.416 ALTERNATIVE TEACHER COMPENSATION REVENUE**
 63.7 **FOR PERPICH CENTER FOR ARTS EDUCATION AND MULTIDISTRICT**
 63.8 **INTEGRATION COLLABORATIVES.**

63.9 Notwithstanding sections ~~122A.413~~, 122A.414, 122A.415, and 126C.10,
 63.10 multidistrict integration collaboratives and the Perpich Center for Arts Education are
 63.11 eligible to receive alternative teacher compensation revenue as if they were intermediate
 63.12 school districts. To qualify for alternative teacher compensation revenue, a multidistrict
 63.13 integration collaborative or the Perpich Center for Arts Education must meet all of the
 63.14 requirements of sections ~~122A.413~~, 122A.414, and 122A.415 that apply to intermediate
 63.15 school districts, must report its enrollment as of October 1 of each year to the department,
 63.16 and must annually report its expenditures for the alternative teacher professional pay
 63.17 system consistent with the uniform financial accounting and reporting standards to the
 63.18 department by November 30 of each year.

63.19 Sec. 33. Minnesota Statutes 2014, section 122A.42, is amended to read:

63.20 **122A.42 GENERAL CONTROL OF SCHOOLS.**

63.21 (a) The teacher of record shall have the general control and government of the
 63.22 school and classroom. When more than one teacher is employed in any district, one of the
 63.23 teachers may be designated by the board as principal and shall have the general control
 63.24 and supervision of the schools of the district, subject to the general supervisory control
 63.25 of the board and other officers.

63.26 (b) Consistent with paragraph (a), the teacher may remove students from class under
 63.27 section 121A.61, subdivision 2, for violent or disruptive conduct or other misconduct.

63.28 **EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and
 63.29 later.

63.30 Sec. 34. **[122A.421] SCHOOL CLIMATE AND SAFETY.**

63.31 Beginning with agreements effective July 1, 2017, and thereafter, all collective
 63.32 bargaining agreements for teachers under chapter 179A may include school climate

64.1 and student and staff safety provisions related to establishing and maintaining safe and
64.2 supportive classrooms and school sites and a districtwide educational climate that is
64.3 conducive to student learning and a supportive working environment for teachers and
64.4 other staff.

64.5 **EFFECTIVE DATE.** This section is effective July 1, 2017.

64.6 Sec. 35. Minnesota Statutes 2015 Supplement, section 122A.60, subdivision 4, is
64.7 amended to read:

64.8 Subd. 4. **Staff development report.** (a) ~~By October 15 of each year,~~ The district
64.9 and site staff development committees shall write ~~and submit~~ a report of staff development
64.10 activities and expenditures for the previous year, ~~in the form and manner determined by~~
64.11 ~~the commissioner.~~ The report, signed by the district superintendent and staff development
64.12 chair, must include assessment and evaluation data indicating progress toward district and
64.13 site staff development goals based on teaching and learning outcomes, including the
64.14 percentage of teachers and other staff involved in instruction who participate in effective
64.15 staff development activities under subdivision 3 as part of the district's world's best
64.16 workforce report under section 120B.11, subdivision 5.

64.17 (b) The report must break down expenditures for:

64.18 (1) curriculum development and curriculum training programs; and

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

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

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

64.29 Sec. 36. Minnesota Statutes 2014, section 122A.72, subdivision 5, is amended to read:

64.30 Subd. 5. **Center functions.** (a) A teacher center shall perform functions according
64.31 to this subdivision. The center shall assist teachers, diagnose learning needs, experiment
64.32 with the use of multiple instructional approaches, assess pupil outcomes, assess staff
64.33 development needs and plans, and teach school personnel about effective pedagogical
64.34 approaches. The center shall develop and produce curricula and curricular materials

65.1 designed to meet the educational needs of pupils being served, by applying educational
65.2 research and new and improved methods, practices, and techniques. The center shall
65.3 provide programs to improve the skills of teachers to meet the special educational needs of
65.4 pupils. The center shall provide programs to familiarize teachers with developments in
65.5 curriculum formulation and educational research, including how research can be used to
65.6 improve teaching skills. The center shall facilitate sharing of resources, ideas, methods,
65.7 and approaches directly related to classroom instruction and improve teachers' familiarity
65.8 with current teaching materials and products for use in their classrooms. The center shall
65.9 provide in-service programs.

65.10 (b) Each teacher center must provide a professional development program to train
65.11 interested and highly qualified elementary, middle, and secondary teachers, selected by the
65.12 employing school district, to assist other teachers in that district with mathematics and
65.13 science curriculum, standards, and instruction so that all teachers have access to:

65.14 (1) high quality professional development programs in mathematics and science that
65.15 address curriculum, instructional methods, alignment of standards, and performance
65.16 measurements, enhance teacher and student learning, and support state mathematics and
65.17 science standards; and

65.18 (2) research-based mathematics and science programs and instructional models
65.19 premised on best practices that inspire teachers and students and have practical classroom
65.20 application.

65.21 Sec. 37. Minnesota Statutes 2014, section 123B.49, subdivision 4, is amended to read:

65.22 Subd. 4. **Board control of extracurricular activities.** (a) The board may take
65.23 charge of and control all extracurricular activities of the teachers and children of the public
65.24 schools in the district. Extracurricular activities means all direct and personal services
65.25 for pupils for their enjoyment that are managed and operated under the guidance of an
65.26 adult or staff member. The board shall allow all resident pupils receiving instruction in a
65.27 home school as defined in section 123B.36, subdivision 1, paragraph (a), and all resident
65.28 pupils enrolled in an online public school program to be eligible to fully participate in
65.29 extracurricular activities on the same basis as public school students.

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

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

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

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

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

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

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

66.16 **EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and
66.17 later.

66.18 Sec. 38. Minnesota Statutes 2015 Supplement, section 124D.231, subdivision 2,
66.19 is amended to read:

66.20 Subd. 2. **Full-service community school program.** (a) The commissioner shall
66.21 provide funding to eligible school sites to plan, implement, and improve full-service
66.22 community schools. Eligible school sites must meet one of the following criteria:

66.23 (1) the school is on a development plan for continuous improvement under section
66.24 120B.35, subdivision 2; or

66.25 (2) the school is in a district that has an achievement and integration plan approved
66.26 by the commissioner of education under sections 124D.861 and 124D.862.

66.27 (b) An eligible school site may receive up to \$100,000 annually. School sites
66.28 receiving funding under this section shall hire or contract with a partner agency to hire a
66.29 site coordinator to coordinate services at each covered school site.

66.30 (c) Implementation funding of up to \$20,000 must be available for up to one year for
66.31 planning for school sites. At the end of this period, the school must submit a full-service
66.32 community school plan, pursuant to paragraph (g).

66.33 (d) The commissioner shall dispense the funds to schools with significant populations
66.34 of students receiving free or reduced-price lunches. Schools with significant homeless and

67.1 highly mobile students shall also be a priority. The commissioner must also dispense the
67.2 funds in a manner to ensure equity among urban, suburban, and greater Minnesota schools.

67.3 (e) A school site must establish a school leadership team responsible for developing
67.4 school-specific programming goals, assessing program needs, and overseeing the process
67.5 of implementing expanded programming at each covered site. The school leadership team
67.6 shall have between 12 to 15 members and shall meet the following requirements:

67.7 (1) at least 30 percent of the members are parents and 30 percent of the members
67.8 are teachers at the school site and must include the school principal and representatives
67.9 from partner agencies; and

67.10 (2) the school leadership team must be responsible for overseeing the baseline
67.11 analyses under paragraph (f). A school leadership team must have ongoing responsibility
67.12 for monitoring the development and implementation of full-service community school
67.13 operations and programming at the school site and shall issue recommendations to schools
67.14 on a regular basis and summarized in an annual report. These reports shall also be made
67.15 available to the public at the school site and on school and district Web sites.

67.16 (f) School sites must complete a baseline analysis prior to beginning programming
67.17 as a full-service community school. The analysis shall include:

67.18 (1) a baseline analysis of needs at the school site, led by the school leadership team,
67.19 which shall include the following elements:

67.20 (i) identification of challenges facing the school;

67.21 (ii) analysis of the student body, including:

67.22 (A) number and percentage of students with disabilities and needs of these students;

67.23 (B) number and percentage of students who are English learners and the needs of
67.24 these students;

67.25 (C) number of students who are homeless or highly mobile; and

67.26 (D) number and percentage of students receiving free or reduced-price lunch and the
67.27 needs of these students;

67.28 (iii) analysis of enrollment and retention rates for students with disabilities,
67.29 English learners, homeless and highly mobile students, and students receiving free or
67.30 reduced-price lunch;

67.31 (iv) analysis of suspension and expulsion data, including the justification for such
67.32 disciplinary actions and the degree to which particular populations, including, but not
67.33 limited to, students of color, students with disabilities, students who are English learners,
67.34 and students receiving free or reduced-price lunch are represented among students subject
67.35 to such actions;

68.1 (v) analysis of school achievement data disaggregated by major demographic
68.2 categories, including, but not limited to, race, ethnicity, English learner status, disability
68.3 status, and free or reduced-price lunch status;

68.4 (vi) analysis of current parent engagement strategies and their success; and

68.5 (vii) evaluation of the need for and availability of wraparound services, including,
68.6 but not limited to:

68.7 (A) mechanisms for meeting students' social, emotional, and physical health needs,
68.8 which may include coordination of existing services as well as the development of new
68.9 services based on student needs; and

68.10 (B) strategies to create a safe and secure school environment and improve school
68.11 climate and discipline, such as implementing a system of positive behavioral supports, and
68.12 taking additional steps to eliminate bullying;

68.13 (2) a baseline analysis of community assets and a strategic plan for utilizing
68.14 and aligning identified assets. This analysis should include, but is not limited to, a
68.15 documentation of individuals in the community, faith-based organizations, community and
68.16 neighborhood associations, colleges, hospitals, libraries, businesses, and social service
68.17 agencies who may be able to provide support and resources; and

68.18 (3) a baseline analysis of needs in the community surrounding the school, led by
68.19 the school leadership team, including, but not limited to:

68.20 (i) the need for high-quality, full-day child care and early childhood education
68.21 programs;

68.22 (ii) the need for physical and mental health care services for children and adults; and

68.23 (iii) the need for job training and other adult education programming.

68.24 (g) Each school site receiving funding under this section must establish at least two
68.25 of the following types of programming:

68.26 (1) early childhood:

68.27 (i) early childhood education; and

68.28 (ii) child care services;

68.29 (2) academic:

68.30 (i) academic support and enrichment activities, including expanded learning time;

68.31 (ii) summer or after-school enrichment and learning experiences;

68.32 (iii) job training, internship opportunities, and career counseling services;

68.33 (iv) programs that provide assistance to students who have been truant, suspended,
68.34 or expelled; and

68.35 (v) specialized instructional support services;

68.36 (3) parental involvement:

- 69.1 (i) programs that promote parental involvement and family literacy, ~~including the~~
69.2 ~~Reading First and Early Reading First programs authorized under part B of title I of the~~
69.3 ~~Elementary and Secondary Education Act of 1965, United States Code, title 20, section~~
69.4 ~~6361, et seq.;~~
- 69.5 (ii) parent leadership development activities; and
- 69.6 (iii) parenting education activities;
- 69.7 (4) mental and physical health:
- 69.8 (i) mentoring and other youth development programs, including peer mentoring and
69.9 conflict mediation;
- 69.10 (ii) juvenile crime prevention and rehabilitation programs;
- 69.11 (iii) home visitation services by teachers and other professionals;
- 69.12 (iv) developmentally appropriate physical education;
- 69.13 (v) nutrition services;
- 69.14 (vi) primary health and dental care; and
- 69.15 (vii) mental health counseling services;
- 69.16 (5) community involvement:
- 69.17 (i) service and service-learning opportunities;
- 69.18 (ii) adult education, including instruction in English as a second language; and
- 69.19 (iii) homeless prevention services;
- 69.20 (6) positive discipline practices; and
- 69.21 (7) other programming designed to meet school and community needs identified in
69.22 the baseline analysis and reflected in the full-service community school plan.
- 69.23 (h) The school leadership team at each school site must develop a full-service
69.24 community school plan detailing the steps the school leadership team will take, including:
- 69.25 (1) timely establishment and consistent operation of the school leadership team;
- 69.26 (2) maintenance of attendance records in all programming components;
- 69.27 (3) maintenance of measurable data showing annual participation and the impact
69.28 of programming on the participating children and adults;
- 69.29 (4) documentation of meaningful and sustained collaboration between the school
69.30 and community stakeholders, including local governmental units, civic engagement
69.31 organizations, businesses, and social service providers;
- 69.32 (5) establishment and maintenance of partnerships with institutions, such as
69.33 universities, hospitals, museums, or not-for-profit community organizations to further the
69.34 development and implementation of community school programming;
- 69.35 (6) ensuring compliance with the district nondiscrimination policy; and
- 69.36 (7) plan for school leadership team development.

70.1 Sec. 39. Minnesota Statutes 2014, section 124D.59, is amended by adding a
70.2 subdivision to read:

70.3 Subd. 9. **English learner data.** When data on English learners are reported for
70.4 purposes of educational accountability, English learner data must include all pupils
70.5 enrolled in a Minnesota public school course or program who are currently or were
70.6 previously counted as English learners under this section.

70.7 **EFFECTIVE DATE.** This section is effective for the 2017-2018 school year and
70.8 later.

70.9 Sec. 40. Minnesota Statutes 2015 Supplement, section 124D.73, subdivision 4, is
70.10 amended to read:

70.11 Subd. 4. **Participating school; American Indian school.** "Participating school"
70.12 and "American Indian school" mean a school that:

70.13 (1) is not operated by a school district; and

70.14 (2) is eligible for a grant under federal Title ~~VH~~ VI of the Elementary and Secondary
70.15 Education Act for the education of American Indian children.

70.16 Sec. 41. Minnesota Statutes 2014, section 124D.861, subdivision 1, is amended to read:

70.17 Subdivision 1. **Program to close the academic achievement and opportunity gap;**
70.18 **revenue uses.** (a) The "Achievement and Integration for Minnesota" program is established
70.19 to pursue racial and economic integration and increase student academic achievement,
70.20 create equitable educational opportunities, and reduce academic disparities based on
70.21 students' diverse racial, ethnic, and economic backgrounds in Minnesota public schools.

70.22 (b) For purposes of this section and section 124D.862, "eligible district" ~~means a~~
70.23 ~~district required to submit a plan to the commissioner under Minnesota Rules governing~~
70.24 ~~school desegregation and integration, or be a member of a multidistrict integration~~
70.25 ~~collaborative that files a plan with the commissioner~~ has the meaning given in subdivision
70.26 1a.

70.27 (c) Eligible districts must use the revenue under section 124D.862 to pursue
70.28 academic achievement and racial and economic integration through: (1) integrated
70.29 learning environments that prepare all students to be effective citizens and enhance
70.30 social cohesion; (2) policies and curricula and trained instructors, administrators, school
70.31 counselors, and other advocates to support and enhance integrated learning environments
70.32 under this section, including through magnet schools, innovative, research-based
70.33 instruction, differentiated instruction, and targeted interventions to improve achievement;
70.34 and (3) rigorous career and college readiness programs for underserved student

71.1 populations, consistent with section 120B.30, subdivision 1; integrated learning
 71.2 environments to increase student academic achievement; cultural fluency, competency,
 71.3 and interaction; graduation and educational attainment rates; and parent involvement.

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

71.5 Sec. 42. Minnesota Statutes 2014, section 124D.861, is amended by adding a
 71.6 subdivision to read:

71.7 **Subd. 1a. Definitions.** (a) "Racially identifiable school within a district" means a
 71.8 school where the enrollment of protected students at the school within a district is more
 71.9 than 20 percentage points above the enrollment of protected students in the entire district
 71.10 for the grade levels served by that school.

71.11 (b) "Racially isolated school district" means a district where the districtwide
 71.12 enrollment of protected students exceeds the enrollment of protected students of any
 71.13 adjoining district by more than 20 percentage points.

71.14 (c) "School" means a site in a public school district serving any of kindergarten
 71.15 through grade 12. For purposes of this section and section 124D.862, school does not mean:

71.16 (1) a charter school under chapter 124E;

71.17 (2) an area learning center under section 123A.05;

71.18 (3) a public alternative program under section 126C.05, subdivision 15;

71.19 (4) a contracted alternative program under section 124D.69;

71.20 (5) a school site specifically designed to address limited English proficiency;

71.21 (6) a school site specifically designed to address the needs of students with an
 71.22 individualized education program (IEP); or

71.23 (7) a secure or nonsecure treatment facility licensed by the Department of Human
 71.24 Services or the Department of Corrections.

71.25 (d) "Eligible district" means:

71.26 (1) a racially isolated independent, common, or special school district;

71.27 (2) an adjoining, independent, common, or special school district that files a plan
 71.28 with the commissioner; or

71.29 (3) an independent, common, or special school district that is a member of a
 71.30 multidistrict integration collaborative that files a plan with the commissioner.

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

71.32 Sec. 43. **[124D.8957] PREKINDERGARTEN THROUGH GRADE 12**
 71.33 **PARENTAL RIGHTS CODED ELSEWHERE.**

72.1 Subdivision 1. **Scope.** The sections referred to in subdivisions 2 to 30 are codified
72.2 outside this section. Those sections include many but not all the sections governing
72.3 parental rights related to topics in prekindergarten through grade 12 education.

72.4 Subd. 2. **Compulsory instruction.** Parental rights related to compulsory instruction,
72.5 including the right to withdraw a child from school; to receive notice related to transfer of
72.6 disciplinary records; to excuse a child from school for illnesses, appointments, or religious
72.7 events; and the right of noncustodial parents to access school records and conferences,
72.8 among other rights, are governed by section 120A.22.

72.9 Subd. 3. **Longitudinal data.** The parental right to annual summary longitudinal
72.10 performance and progress data is governed by section 120B.31.

72.11 Subd. 4. **Antibullying.** Parental rights related to school district antibullying
72.12 policies, including the right to be involved in developing the policies, the right to be
72.13 notified of incidents of prohibited conduct, and the right to be informed of data practices
72.14 laws, are governed by section 121A.031.

72.15 Subd. 5. **Student discipline policies.** The parental right to notice in student
72.16 discipline policies of rights under the Safe and Supportive Minnesota Schools Act is
72.17 governed by section 121A.0311.

72.18 Subd. 6. **Early childhood development screening.** Parental rights to certain notice
72.19 requirements related to early childhood development screening and to receive results of
72.20 early childhood development screening are governed by section 121A.17. The parental
72.21 right to provide consent before individual screening data may be disclosed to a school
72.22 district is governed by section 121A.18.

72.23 Subd. 7. **Chemical abuse.** The parental right to be informed of a reported case of
72.24 chemical abuse by a minor student is governed by section 121A.26.

72.25 Subd. 8. **Pesticides.** The parental right to be notified regarding the use of pesticides
72.26 at a school is governed by the Janet B. Johnson Parents' Right-to-Know Act under section
72.27 121A.30.

72.28 Subd. 9. **Student dismissal.** The parental right to notice and a meeting regarding
72.29 the removal of a student for more than ten days is governed by section 121A.45.

72.30 Subd. 10. **Exclusion and expulsion.** The parental right to be included in exclusion
72.31 or expulsion hearing procedures, including access to records, ability to testify and present
72.32 evidence, and inclusion in the student's readmission plan, is governed by section 121A.47.

72.33 Subd. 11. **Exclusion and expulsion appeal.** The parental right to notice of the right
72.34 to appeal an exclusion or expulsion decision is governed by section 121A.49.

73.1 Subd. 12. **Reinstatement after termination of dismissal.** The parental right to
73.2 notice of a student's right to be reinstated after the termination of dismissal is governed
73.3 by section 121A.54.

73.4 Subd. 13. **Interdistrict cooperation.** The parental right to notice of an
73.5 informational school board meeting relating to discontinuing interdistrict cooperation
73.6 is governed by section 123A.32.

73.7 Subd. 14. **Background checks.** The parental right to notice of a school's
73.8 background check policy for hiring teachers is governed by section 123B.03.

73.9 Subd. 15. **Textbook fees.** The parental right to notice of a school board's policy to
73.10 charge fees for textbooks lost or destroyed by students is governed by section 123B.37.

73.11 Subd. 16. **Transportation privileges.** The parental right to surrender a student's
73.12 privilege to receive transportation services from a school district is governed by section
73.13 123B.88.

73.14 Subd. 17. **Nonresident district policies.** The parental right to receive notice of: a
73.15 decision on an application by a student to attend school in a nonresident district; the
73.16 transportation policies of the nonresident district; and the right to be reimbursed for costs
73.17 of transportation to the nonresident district's border are governed by section 124D.03.

73.18 Subd. 18. **Out-of-state districts.** Under section 124D.04, the parental rights related
73.19 to a student attending a nonresident district under section 124D.03 apply to a student
73.20 attending an out-of-state district.

73.21 Subd. 19. **Free or reduced-price lunch eligibility.** The parental right to opt a child
73.22 out of disclosing a child's eligibility for free or reduced-price lunch to the Department of
73.23 Education and the Department of Human Services is governed by section 124D.1115.

73.24 Subd. 20. **Learning year programs.** The parental right to notice of optional
73.25 learning year programs is governed by section 124D.128.

73.26 Subd. 21. **English learners programs.** Parental rights related to student enrollment
73.27 in programs for English learners, including notice, withdrawal, and parental involvement,
73.28 are governed by section 124D.60.

73.29 Subd. 22. **Charter school transportation.** The parental right to receive
73.30 pupil transportation information from the charter school or school district providing
73.31 transportation services to a charter school student is governed by section 123B.88.

73.32 Subd. 23. **Services for children with disabilities.** The parental right to be included
73.33 in determining the appropriate and necessary services for students with disabilities is
73.34 governed by section 125A.027.

74.1 Subd. 24. **Data on children with disabilities.** The parental right to notice and
 74.2 involvement regarding online reporting of data related to children with disabilities is
 74.3 governed by section 125A.085.

74.4 Subd. 25. **Special education alternative dispute resolution.** Parental rights
 74.5 regarding notice, participation, and due process related to special education alternative
 74.6 dispute resolution procedures are governed by section 125A.091.

74.7 Subd. 26. **Third-party reimbursement for children with disabilities.** The
 74.8 parental right to notice of a school district seeking reimbursement from medical assistance
 74.9 or MinnesotaCare for services rendered to a student with a disability is governed by
 74.10 section 125A.21.

74.11 Subd. 27. **Services provided to children with disabilities.** Parental rights
 74.12 related to services provided to students eligible for Part C services under the Individuals
 74.13 with Disabilities Education Act and the right to receive written materials regarding the
 74.14 implementation of Part C services are governed by sections 125A.42 and 125A.48. The
 74.15 parental right to use mediation to resolve disputes under section 125A.42 is governed
 74.16 by section 125A.43.

74.17 Subd. 28. **Minnesota State Academies discharge.** The parental right to notice of a
 74.18 student's discharge from the Minnesota State Academies is governed by section 125A.68.

74.19 Subd. 29. **Education records for military children.** The parental right to education
 74.20 records under the Interstate Compact on Educational Opportunity for Military Children
 74.21 is governed by section 127A.85.

74.22 Subd. 30. **Appeal adverse school board decision.** The parental right to appeal a
 74.23 school board decision adversely affecting an academic program of an enrolled student is
 74.24 governed by section 129C.10, subdivision 36.

74.25 Sec. 44. Minnesota Statutes 2014, section 124D.896, is amended to read:

74.26 **124D.896 DESEGREGATION/INTEGRATION AND INCLUSIVE**
 74.27 **EDUCATION RULES.**

74.28 (a) The commissioner shall propose rules relating to desegregation/integration and
 74.29 inclusive education, consistent with sections 124D.861 and 124D.862.

74.30 (b) In adopting a rule related to school desegregation/integration, the commissioner
 74.31 shall address the need for equal educational opportunities for all students and racial
 74.32 balance as defined by the commissioner.

74.33 (c) The commissioner must not adopt or enforce by rule a definition of "eligible
 74.34 district" that expands or conflicts with the statutory definition of eligible district.

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

75.2 Sec. 45. Minnesota Statutes 2015 Supplement, section 127A.05, subdivision 6, is
75.3 amended to read:

75.4 Subd. 6. **Survey of districts.** The commissioner of education shall survey the state's
75.5 school districts and teacher preparation programs and report to the education committees
75.6 of the legislature by February 1 of each odd-numbered year on the status of teacher early
75.7 retirement patterns, the access to effective and more diverse teachers who reflect the
75.8 students under section 120B.35, subdivision 3, paragraph (b), clause (2), enrolled in
75.9 a district or school, the teacher shortage, and the substitute teacher shortage, including
75.10 patterns and shortages in subject areas and the economic development regions of the state.
75.11 The report must also include: aggregate data on teachers' self-reported race and ethnicity;
75.12 data on how districts are making progress in hiring teachers and substitutes in the areas
75.13 of shortage; and a five-year projection of teacher demand for each district, taking into
75.14 account the students under section 120B.35, subdivision 3, paragraph (b), clause (2),
75.15 expected to enroll in the district during that five-year period.

75.16 Sec. 46. **[127A.053] STATE ADMINISTRATION OF STUDENT SURVEY**
75.17 **INSTRUMENTS GENERALLY PROHIBITED.**

75.18 Notwithstanding other law to the contrary, and with the exception of section
75.19 120B.35, subdivision 3, paragraph (d), the commissioner must not develop, coordinate,
75.20 assist with, or use a statewide student survey seeking information about a student's
75.21 activities, opinions, behaviors, or experiences related to substance abuse, tobacco use,
75.22 connections with family, healthy eating, high school students' gambling and sexual
75.23 activities, or out-of-school activities, among other topics.

75.24 Sec. 47. Minnesota Statutes 2014, section 127A.095, is amended to read:

75.25 **127A.095 IMPLEMENTATION OF NO CHILD LEFT BEHIND ACT**
75.26 **ELEMENTARY AND SECONDARY EDUCATION ACT.**

75.27 Subdivision 1. **Continued implementation.** The Department of Education shall
75.28 continue to implement the federal ~~No Child Left Behind Act, Public Law 107-110,~~
75.29 Elementary and Secondary Education Act without interruption.

75.30 Subd. 2. ~~**No Child Left Behind review.**~~ (a) ~~The legislature intends to require~~
75.31 ~~the Department of Education to conduct a comprehensive review of the consolidated~~
75.32 ~~state plan the state submitted to the federal Department of Education to implement the~~
75.33 ~~No Child Left Behind Act. The Minnesota Department of Education shall seek waivers~~

76.1 ~~under paragraph (b). If the Department of Education is unable to obtain waivers under~~
 76.2 ~~paragraph (b), it should recommend in its report under paragraph (b) whether the state~~
 76.3 ~~should opt out of the No Child Left Behind Act.~~

76.4 ~~(b) The commissioner, by January 15, 2008, shall report to the house of~~
 76.5 ~~representatives and senate committees having jurisdiction over kindergarten through grade~~
 76.6 ~~12 education policy and finance whether the department has received approval from~~
 76.7 ~~the federal Department of Education to:~~

76.8 ~~(1) participate in the growth model pilot program;~~

76.9 ~~(2) exclude from sanctions schools that have not made adequate yearly progress due~~
 76.10 ~~solely to a subgroup of students with disabilities not testing at a proficient level;~~

76.11 ~~(3) identify a school as not making adequate yearly progress only after the school has~~
 76.12 ~~missed the adequate yearly progress targets in the same subgroup for two consecutive years;~~

76.13 ~~(4) determine when to hold schools accountable for including an English learner~~
 76.14 ~~in adequate yearly progress calculations;~~

76.15 ~~(5) allow a district not making adequate yearly progress to offer supplemental~~
 76.16 ~~educational services as an option before offering school choice;~~

76.17 ~~(6) allow a district not making adequate yearly progress to also be the supplemental~~
 76.18 ~~educational services provider;~~

76.19 ~~(7) allow the state to maintain a subgroup size to 40 for the purposes of calculating~~
 76.20 ~~adequate yearly progress for subgroups of English learners and subgroups of students~~
 76.21 ~~with disabilities; and~~

76.22 ~~(8) create flexibility to enable the state to define and identify highly qualified teachers.~~

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

76.32 Sec. 48. Minnesota Statutes 2014, section 129C.10, subdivision 1, is amended to read:

76.33 Subdivision 1. **Governance.** (a) The board of the Perpich Center for Arts Education
 76.34 shall consist of 15 13 persons, one of whom must have served as a school administrator or
 76.35 as an elected school board member, one of whom is a locally or regionally recognized

77.1 professional artist, one of whom is a secondary or postsecondary arts educator, and a
 77.2 licensed secondary arts teacher and a licensed secondary teacher teaching a core academic
 77.3 subject area, one of whom is a Crosswinds school employee, and one of whom is a Perpich
 77.4 Center for Arts Education employee. The members of the board shall be appointed by
 77.5 the governor with the advice and consent of the senate. At least one member must be
 77.6 appointed from each congressional district.

77.7 (b) A seven-member nominating committee composed of one member appointed
 77.8 by the Minnesota Association of School Administrators, one member appointed by the
 77.9 Minnesota State Arts Board, one member appointed by the Minnesota School Boards
 77.10 Association, one member appointed by the Minnesota Music Educators Association, one
 77.11 member appointed by the Arts Educators of Minnesota, one member appointed jointly by
 77.12 the exclusive representatives of the employees of the Perpich Center for Arts Education,
 77.13 all six appointees of whom are subject to the governor's approval, and one member
 77.14 appointed by the governor shall meet at least 60 days before the date on which the next
 77.15 expiring board member's term is set to expire or within 15 days of receiving notice of a
 77.16 board vacancy occurring at a time other than at the end of a board member's term to
 77.17 prepare and submit a list of recommended candidates to the governor for the governor
 77.18 to consider when appointing members of the Perpich Center for Arts Education Board.
 77.19 Board members' terms must be staggered, consistent with section 15.0575, subdivision 2.

77.20 (c) All board members must complete board training requirements consistent with
 77.21 section 127A.19.

77.22 (d) The terms of existing board members expire on September 1, 2016, but board
 77.23 members may continue to serve until the governor appoints their successors.

77.24 **EFFECTIVE DATE.** This section is effective the day following final enactment
 77.25 and applies to board member terms and appointments made after that date.

77.26 Sec. 49. [129C.12] PUBLIC INFORMATION.

77.27 Subdivision 1. **Board minutes.** The board must post the minutes of its meetings on
 77.28 its official Web site and supplemental board materials, information, and budget documents
 77.29 consistent with Minnesota Management and Budget financial management and reporting
 77.30 requirements.

77.31 Subd. 2. **Annual report.** Consistent with section 123B.10, requiring school boards
 77.32 to annually publish financial information on the district's official Web site, the board
 77.33 must prepare and post on its official Web site an annual report summarizing Perpich
 77.34 Center finances and, consistent with section 120B.36, subdivision 1, requiring school
 77.35 and district accountability data, also post on its official Web site longitudinal data on

78.1 student enrollment and students' congressional districts of residence, graduation rates, and
78.2 postgraduation student placements.

78.3 Subd. 3. **World's best workforce.** Consistent with section 120B.11, governing the
78.4 world's best workforce, the board must prepare and post a comprehensive, long-term
78.5 strategic improvement plan and report plan strategies, activities, practices, and outcomes
78.6 on its official Web site.

78.7 Subd. 4. **Audit report.** (a) The Perpich Center for Arts Education is subject to an
78.8 annual independent audit. The audit must be conducted in compliance with generally
78.9 accepted governmental auditing standards and the federal Single Audit Act, if applicable.
78.10 The legislative auditor or Department of Education may conduct financial, program, or
78.11 compliance audits, and may direct the Perpich Center for Arts Education to include any
78.12 additional items in its annual independent audit.

78.13 (b) Upon approval from the Department of Education, the Perpich Center for Arts
78.14 Education may combine this audit with its required annual audit of the Crosswinds Arts
78.15 and Science School.

78.16 (c) The Perpich Center for Arts Education must post its most recent audit on its
78.17 Web site.

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

78.19 Sec. 50. Minnesota Statutes 2015 Supplement, section 136F.302, subdivision 1,
78.20 is amended to read:

78.21 Subdivision 1. **ACT college ready score.** A state college or university ~~may~~ must
78.22 not require an individual to take a remedial, noncredit course in a subject area if the
78.23 individual has received a college ready ACT score in that subject area. Each state college
78.24 and university must post notice of the exemption from remedial course taking on its Web
78.25 page explaining student admission requirements.

78.26 **EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and
78.27 later.

78.28 Sec. 51. **[136F.3025] MINNESOTA COMPREHENSIVE ASSESSMENTS;**
78.29 **CAREER AND COLLEGE-READY BENCHMARKS.**

78.30 A state college or university must not require an individual to take a remedial,
78.31 noncredit course in a subject area if the individual met a career and college-ready Minnesota
78.32 Comprehensive Assessment benchmark in that subject area, consistent with section
78.33 120B.30, subdivision 1, paragraph (m). When notifying students and their families about

79.1 test results under section 120B.30, subdivision 1, paragraph (m), the commissioner shall
 79.2 include a statement indicating that students who meet a career and college-ready Minnesota
 79.3 Comprehensive Assessment benchmark are not required to take a remedial, noncredit
 79.4 course at a Minnesota state college or university in the corresponding subject area.

79.5 **EFFECTIVE DATE.** This section is effective for the 2018-2019 school year and
 79.6 later.

79.7 Sec. 52. **[136F.361] CAREER AND TECHNICAL EDUCATION**
 79.8 **CERTIFICATION AND LICENSURE.**

79.9 The Board of Trustees of the Minnesota State Colleges and Universities System,
 79.10 consistent with section 122A.09, subdivision 10, paragraph (e), must provide an
 79.11 alternative preparation program allowing individuals to be certified or licensed as a career
 79.12 and technical education instructor or teacher able to teach career and technical education
 79.13 courses offered by a school district or charter school. The Board of Trustees may locate
 79.14 the first program in the seven county metropolitan area.

79.15 **EFFECTIVE DATE.** This section is effective for the 2016-2017 academic year
 79.16 and later.

79.17 Sec. 53. Laws 2010, chapter 396, section 7, the effective date, is amended to read:

79.18 **EFFECTIVE DATE.** This section is effective the day following final enactment,
 79.19 including subdivision 3 which is effective through the 2020-2021 school year.

79.20 Sec. 54. Laws 2012, chapter 263, section 1, as amended by Laws 2014, chapter 312,
 79.21 article 15, section 24, is amended to read:

79.22 Section 1. **INNOVATIVE DELIVERY OF CAREER AND TECHNICAL**
 79.23 **EDUCATION PROGRAMS AND SERVICES AND SHARING OF DISTRICT**
 79.24 **RESOURCES; ~~PILOT PROJECT.~~**

79.25 Subdivision 1. **Establishment; requirements for participation.** (a) A ~~pilot project~~
 79.26 program is established to improve student, career and college readiness, and school
 79.27 outcomes by allowing groups of school districts to work together in partnership with local
 79.28 and regional postsecondary institutions and programs, community institutions, and other
 79.29 private, public, for-profit, and nonprofit workplace partners to:

79.30 (1) provide innovative education programs and activities that integrate core
 79.31 academic and career and technical subjects in students' programs of study through

80.1 coordinated secondary and postsecondary career and technical programs leading to an
80.2 industry certification or other credential;

80.3 (2) provide embedded professional development for program participants;

80.4 (3) use performance assessments in authentic settings to measure students' technical
80.5 skills and progress toward attaining an industry certification or other credential; and

80.6 (4) efficiently share district, institution, and workplace resources. ~~The pilot project~~
80.7 ~~may last until June 30, 2018, or for up to five years, whichever is less, except that~~
80.8 ~~innovation partnerships formed during the period of the pilot project may continue past~~
80.9 ~~June 30, 2018, with the agreement of the partnership members.~~

80.10 (b) To participate in this ~~pilot project~~ program to improve student, career and college
80.11 readiness, and school outcomes, a group of two or more school districts must collaborate
80.12 with school staff and project partners and receive formal school board approval to form a
80.13 partnership. The partnership must develop a plan to provide challenging programmatic
80.14 options for students under paragraph (a), create professional development opportunities
80.15 for educators and other program participants, increase student engagement and connection
80.16 and challenging learning opportunities for diverse populations of students that are focused
80.17 on employability skills and technical, job-specific skills related to a specific career
80.18 pathway, or demonstrate efficiencies in delivering financial and other services needed to
80.19 realize plan goals and objectives. The plan must ~~establish~~ include:

80.20 (1) collaborative educational goals and objectives;

80.21 (2) strategies and processes to implement those goals and objectives, including a
80.22 budget process with periodic expenditure reviews;

80.23 (3) valid and reliable measures, including performance assessments in authentic
80.24 settings and progress toward attaining an industry certification or other credential, among
80.25 other measures, to evaluate progress in realizing the goals and objectives;

80.26 (4) an implementation timeline; and

80.27 (5) other applicable conditions, regulations, responsibilities, duties, provisions, fee
80.28 schedules, and legal considerations needed to fully implement the plan.

80.29 A partnership may invite additional districts or other participants under paragraph
80.30 (a) to join the partnership ~~during the pilot project term~~ after notifying the commissioner.

80.31 (c) A partnership of interested districts must ~~apply by February 1 of any year~~ submit
80.32 an application to the education commissioner in the form and manner the commissioner
80.33 determines, consistent with the requirements of this section. The application must contain
80.34 the formal approval adopted by the school board in each district to participate in the plan.

80.35 (d) Notwithstanding other law to the contrary, a participating school district under
80.36 this section continues to: receive revenue and maintain its taxation authority; be organized

81.1 and governed by an elected school board with general powers under Minnesota Statutes,
81.2 section 123B.02; and be subject to employment agreements under Minnesota Statutes,
81.3 chapter 122A, and Minnesota Statutes, section 179A.20; and district employees continue
81.4 to remain employees of the employing school district.

81.5 (e) Participating districts must submit a biennial report by February 1 of each
81.6 odd-numbered year to the committees of the legislature with jurisdiction over kindergarten
81.7 through grade 12 education and the commissioner of education that includes performance
81.8 assessment, high school graduation, and career and technical certification data to show the
81.9 success of the partnership in preparing diverse populations of students for careers and jobs.

81.10 Subd. 2. **Commissioner's role.** Interested groups of school districts must submit
81.11 a completed application to the commissioner by ~~March 1 of~~ in any year in the form and
81.12 manner determined by the commissioner. The education commissioner must convene
81.13 an advisory panel ~~composed of a teacher appointed by Education Minnesota, a school~~
81.14 ~~principal appointed by the Minnesota Association of Secondary School Principals, a~~
81.15 ~~school board member appointed by the Minnesota School Boards Association, and a~~
81.16 ~~school superintendent appointed by the Minnesota Association of School Administrators~~
81.17 ~~to advise the commissioner on applicants' qualifications to participate in this pilot project~~
81.18 ~~program.~~ The commissioner ~~may select up to six qualified applicants under subdivision 1~~
81.19 ~~by April 1 of any year to participate in this pilot project, ensuring~~ must ensure an equitable
81.20 geographical distribution of ~~project~~ program participants to the extent practicable. The
81.21 commissioner must select only those applicants that fully comply with the requirements in
81.22 subdivision 1. The commissioner ~~must~~ may terminate a ~~project~~ program participant that
81.23 fails to effectively implement the goals and objectives contained in its application and
81.24 according to its stated timeline.

81.25 Subd. 3. **Pilot project evaluation.** ~~Participating school districts must submit pilot~~
81.26 ~~project data to the commissioner in the form and manner determined by the commissioner.~~
81.27 ~~The education commissioner must analyze participating districts' progress in realizing~~
81.28 ~~their educational goals and objectives to work together in providing innovative education~~
81.29 ~~programs and activities and sharing resources. The commissioner must include the~~
81.30 ~~analysis of best practices in a report to the legislative committees with jurisdiction over~~
81.31 ~~kindergarten through grade 12 education finance and policy on the efficacy of this pilot~~
81.32 ~~project. The commissioner shall submit an interim project report by February 1, 2016, and~~
81.33 ~~must submit a final report to the legislature by February 1, 2019, recommending whether~~
81.34 ~~or not to continue or expand the pilot project.~~

81.35 **EFFECTIVE DATE.** (a) This section is effective the day following final enactment
81.36 and applies to applications submitted after that date.

82.1 (b) Districts already approved for an innovation zone pilot project may continue to
 82.2 operate under Laws 2012, chapter 263, section 1, as amended by Laws 2014, chapter
 82.3 312, article 15, section 24.

82.4 Sec. 55. Laws 2015, chapter 69, article 1, section 3, subdivision 28, is amended to read:

82.5			200,000
82.6	Subd. 28. Teacher Shortage Loan Forgiveness	200,000	<u>1,200,000</u>

82.7 For the loan forgiveness program under
 82.8 Minnesota Statutes, section 136A.1791.

82.9 The commissioner may use no more
 82.10 than three percent of this appropriation
 82.11 to administer the program under this
 82.12 subdivision. The base for the program for
 82.13 fiscal year 2018 and later is \$200,000.

82.14 **EFFECTIVE DATE.** This section is effective the day following final enactment,
 82.15 and any unexpended funds in fiscal year 2017 do not cancel and remain available until
 82.16 June 30, 2019.

82.17 Sec. 56. Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision
 82.18 2, is amended to read:

82.19 Subd. 2. **Alternative compensation.** For alternative teacher compensation aid
 82.20 under Minnesota Statutes, section 122A.415, subdivision 4:

82.21	78,331,000		
82.22	\$ <u>78,667,000</u>	.....	2016
82.23	87,147,000		
82.24	\$ <u>89,049,000</u>	.....	2017

82.25 The 2016 appropriation includes \$7,766,000 for 2015 and ~~\$70,565,000~~ \$70,901,000
 82.26 for 2016.

82.27 The 2017 appropriation includes ~~\$7,840,000~~ \$7,876,000 for 2016 and ~~\$79,307,000~~
 82.28 \$81,173,000 for 2017.

82.29 Sec. 57. Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision
 82.30 6, is amended to read:

82.31 Subd. 6. **Reading Corps.** For grants to ServeMinnesota for the Minnesota Reading
 82.32 Corps under Minnesota Statutes, section 124D.42, subdivision 8:

83.1 \$ 6,125,000 2016
 83.2 ~~6,125,000~~
 83.3 \$ 7,625,000 2017

83.4 Any balance ~~in the first year does not cancel but~~ is available in the second year through
 83.5 June 30, 2019. The base appropriation for fiscal year 2018 and later years is \$5,625,000.

83.6 Sec. 58. Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision
 83.7 12, is amended to read:

83.8 Subd. 12. **Collaborative urban educator.** (a) For the collaborative urban educator
 83.9 grant program:

83.10 \$ 780,000 2016
 83.11 ~~780,000~~
 83.12 \$ 2,780,000 2017

83.13 (b) Grants shall be awarded in equal amounts: \$195,000 each year is for the Southeast
 83.14 Asian teacher program at Concordia University, St. Paul; \$195,000 each year is for the
 83.15 collaborative urban educator program at the University of St. Thomas; \$195,000 each year
 83.16 is for the Center for Excellence in Urban Teaching at Hamline University; and ~~\$195,00~~
 83.17 \$195,000 each year is for the East Africa Student to Teacher program at Augsburg College.
 83.18 In fiscal year 2017 only, in addition to the amounts awarded under this paragraph, the
 83.19 institutions identified in this paragraph may receive additional funding under paragraph (c).

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

83.21 ~~Each institution shall prepare for the legislature, by January 15 of each year, a~~
 83.22 ~~detailed report regarding the funds used. The report must include the number of teachers~~
 83.23 ~~prepared as well as the diversity for each cohort of teachers produced.~~

83.24 (c) A Minnesota teacher preparation program, a district Grow Your Own teacher
 83.25 program, a nonconventional teacher preparation program under Minnesota Rules, part
 83.26 8705.2300, or an alternative teacher preparation program under Minnesota Statutes,
 83.27 section 122A.245, may apply to the commissioner of education for a grant in the form and
 83.28 manner determined by the commissioner. The commissioner may award grants of up to
 83.29 two years to the extent funds are available. The commissioner annually must award at
 83.30 least 50 percent of grant funds to nonconventional and alternative preparation programs,
 83.31 giving priority to funding programs that:

83.32 (1) recruit, retain, graduate, and place teacher candidates who reflect the
 83.33 demographic diversity of the students enrolled in the district where the teacher candidate
 83.34 is placed and provide the teachers with well-qualified mentor teachers; or

84.1 (2) train and place teacher candidates in subject areas or regions of the state
 84.2 identified by the commissioner as shortage areas under Minnesota Statutes, section
 84.3 127A.05, subdivision 6.

84.4 (d) A grant recipient under this subdivision, annually by January 15, must prepare a
 84.5 report for the commissioner of education and the kindergarten through grade 12 and
 84.6 higher education committees of the legislature in the form and manner determined by the
 84.7 commissioner. At a minimum, the report must detail grant expenditures for the previous
 84.8 year and summarize program outcomes based on teacher preparation and performance
 84.9 data consistent with paragraph (c) and Minnesota Statutes, section 122A.09, subdivision
 84.10 4a, paragraph (b).

84.11 (e) This appropriation is available until June 30, 2019. The base appropriation
 84.12 for fiscal year 2018 and later is \$780,000.

84.13 Sec. 59. Laws 2015, First Special Session chapter 3, article 3, section 15, subdivision
 84.14 3, is amended to read:

84.15 Subd. 3. **ACT test College entrance examination reimbursement.** To reimburse
 84.16 districts for students who qualify under Minnesota Statutes, section 120B.30, subdivision
 84.17 1, paragraph (e), for onetime payment of their ACT college entrance examination fee:

84.18	\$	3,011,000	.....	2016
84.19	\$	3,011,000	.....	2017

84.20 The Department of Education must reimburse districts for their onetime payments
 84.21 on behalf of students.

84.22 **EFFECTIVE DATE.** This section applies to college entrance exams administered
 84.23 after July 1, 2016.

84.24 Sec. 60. **CONCURRENT ENROLLMENT TEACHER TRAINING GRANTS.**

84.25 For fiscal years 2017, 2018, and 2019 only, a high school teacher required to obtain
 84.26 additional training to meet the partnering college's or university's academic requirements
 84.27 to teach a concurrent enrollment course in a high school under Minnesota Statutes, section
 84.28 124D.09, may be reimbursed for tuition for up to 18 graduate credits in furthering this
 84.29 training. The commissioner shall establish application procedures and deadlines for
 84.30 receiving grant payments under this subdivision.

84.31 **EFFECTIVE DATE.** This section is effective July 1, 2016.

84.32 Sec. 61. **MINNESOTA'S FUTURE TEACHERS; GRANT PROGRAM.**

85.1 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms
85.2 have the meanings given them.

85.3 (b) "Eligible institution" means a Minnesota public or nonpublic postsecondary
85.4 institution under Minnesota Statutes, section 136A.101, subdivision 4, providing a Board
85.5 of Teaching-approved teacher preparation program.

85.6 (c) "High needs area" means a shortage of teachers teaching in particular subject
85.7 areas and, or in particular regions of the state, identified in the commissioner of education's
85.8 biennial survey of districts under Minnesota Statutes, section 127A.05, subdivision 6, or
85.9 in another Department of Education survey on teacher shortages.

85.10 (d) "High needs school" means a school:

85.11 (1) designated as a low performing school under the most recently reauthorized
85.12 federal Elementary and Secondary Education Act; or

85.13 (2) above the state average in the concentration of students qualifying for free and
85.14 reduced-price lunch.

85.15 (e) "Qualified candidate" means a student enrolled in a Board of Teaching-approved
85.16 teacher preparation program at an eligible institution meeting the criteria in subdivision 3.

85.17 Subd. 2. **Account.** An account is established under the control of the commissioner
85.18 of the Office of Higher Education for grants to eligible institutions to provide financial
85.19 and other support to qualified candidates interested in teaching in a high needs area or
85.20 school. Unused funds appropriated to the Department of Education and transferred to the
85.21 Office of Higher Education in any fiscal year do not cancel and are available for the
85.22 purposes of this section.

85.23 Subd. 3. **Program requirements.** (a) The commissioner of the Office of Higher
85.24 Education, beginning in the 2017-2018 school year, shall award grants to eligible
85.25 institutions to help defray costs for qualified undergraduate and graduate candidates to
85.26 become licensed teachers. The commissioner shall determine the maximum grant award
85.27 available to each eligible institution, including the amount available for administrative and
85.28 support services, and other terms and conditions related to administering the grant program.

85.29 (b) The eligible institution must provide grant funding to its teacher preparation
85.30 programs for:

85.31 (1) reducing tuition, fees, and related education costs of qualified candidates;

85.32 (2) actively encouraging historically underserved students, students of color, and
85.33 students to pursue teaching in a high needs area or school;

85.34 (3) supporting qualified candidates to persist in and complete their teacher
85.35 preparation program and receive a full professional teaching license; and

85.36 (4) providing qualified candidates with experiential teaching opportunities.

86.1 (c) A qualified candidate under this section must submit to the teacher preparation
86.2 program a written statement indicating the qualified candidate's intent to teach in a high
86.3 needs school or area after completing the teacher preparation program and receiving
86.4 a teaching license.

86.5 (d) The teaching preparation program must provide mentoring to its qualified
86.6 candidates that includes at least:

86.7 (1) good communication with the qualified candidate throughout the program;

86.8 (2) a personalized learning plan for the qualified candidate that describes the
86.9 requirements for completing the program and obtaining a teaching position and the
86.10 resources available for overcoming obstacles to completing the program;

86.11 (3) connections to campus resources and professional and personal development
86.12 opportunities; and

86.13 (4) financial planning.

86.14 **Sec. 62. GRANTS TO STUDENT TEACHERS IN SHORTAGE AREAS.**

86.15 Subdivision 1. **Establishment.** The commissioner of the Office of Higher Education
86.16 must establish a grant program for student teaching stipends for low-income students
86.17 enrolled in a Board of Teaching-approved teacher preparation program who are interested
86.18 in teaching in a high needs subject area or region after graduating and receiving their
86.19 teaching license. For purposes of this section, "high needs subject area or region" means a
86.20 shortage of teachers teaching in particular subject areas or a shortage of teachers teaching
86.21 in particular regions of the state identified in the commissioner of education's biennial
86.22 survey of districts under Minnesota Statutes, section 127A.05, subdivision 6, or in another
86.23 Department of Education survey on teacher shortages.

86.24 Subd. 2. **Eligibility** To be eligible for a grant under this section, a teacher candidate
86.25 must:

86.26 (1) be enrolled in a Board of Teaching-approved teacher preparation program that
86.27 requires at least 12 weeks of student teaching and results in the teacher candidate receiving
86.28 a full professional teaching license enabling the licensee to teach in a high needs subject
86.29 area or region; and

86.30 (2) demonstrate financial need based on criteria established by the commissioner
86.31 under subdivision 3.

86.32 Subd. 3. **Administration; repayment.** (a) The commissioner must establish an
86.33 application process and other guidelines for implementing this program.

86.34 (b) The commissioner must determine each academic year the stipend amount based
86.35 on the amount of available funding and the number of eligible applicants.

87.1 **EFFECTIVE DATE.** This section is effective July 1, 2016.

87.2 Sec. 63. **LEGISLATIVE STUDY GROUP ON EDUCATOR LICENSURE.**

87.3 (a) A 12-member legislative study group on educator licensure is created to review
87.4 the 2016 Minnesota Teacher Licensure report prepared by the Office of the Legislative
87.5 Auditor on teacher licensing and submit a written report by February 1, 2017, to the
87.6 legislature recommending how to restructure Minnesota's teacher licensure system by
87.7 consolidating all teacher licensure activities into a single state entity to ensure transparency
87.8 and consistency or, at a minimum, by clarifying existing teacher licensure responsibilities
87.9 to provide transparency and consistency. In developing its recommendations, the study
87.10 group is encouraged to consider the tiered licensure system recommended in the legislative
87.11 auditor's report, among other recommendations. The study group is encouraged to begin
87.12 its work by consulting with teachers currently teaching in Minnesota school districts,
87.13 charter schools, and nonpublic schools and with out-of-state teachers currently licensed or
87.14 seeking a license in Minnesota. The study group is encouraged to identify and include in
87.15 its report any statutory changes needed to implement the study group recommendations.

87.16 (b) The legislative study group on educator licensure includes:

87.17 (1) six duly elected and currently serving members of the house of representatives,
87.18 three appointed by the speaker of the house and three appointed by the house minority
87.19 leader, and one of whom must be the current chair of the house of representatives
87.20 Education Innovation Policy Committee; and

87.21 (2) six duly elected and currently serving senators, three appointed by the senate
87.22 majority leader and three appointed by the senate minority leader, one of whom must be
87.23 the current chair of the senate Education Committee.

87.24 Only duly elected and currently serving members of the house of representatives or senate
87.25 may be study group members.

87.26 (c) The appointments must be made by June 1, 2016, and expire February 2, 2017.

87.27 If a vacancy occurs, the leader of the caucus in the house of representatives or senate to
87.28 which the vacating study group member belonged must fill the vacancy. The chair of the
87.29 house Education Innovation Policy Committee shall convene the first meeting of the study
87.30 group. The study group shall elect a chair or cochairs from among the members at the
87.31 first meeting. The study group must meet periodically. The Legislative Coordinating
87.32 Commission shall provide technical and administrative assistance upon request.

87.33 (d) In reviewing the legislative auditor's report and developing its recommendations,
87.34 the study group must consult with the Board of Teaching, the licensing division of the

88.1 Department of Education, the Minnesota Board of School Administrators, and interested
88.2 and affected stakeholders.

88.3 (e) The study group expires on February 2, 2017, unless extended by law.

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

88.5 Sec. 64. **BOARD OF TEACHING REPORT.**

88.6 The Board of Teaching must prepare and submit a written report to the committees
88.7 of the legislature with jurisdiction over kindergarten through grade 12 education by
88.8 February 1, 2017, listing all the statutory and rule requirements on teacher preparation,
88.9 examinations, and training applicable to candidates for teacher licensure by type of license
88.10 and all the statutory and rule requirements on continuing education applicable to teachers
88.11 seeking to renew a full professional teaching license.

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

88.13 Sec. 65. **TEACHER LICENSING; PROCESS AND PROCEDURES.**

88.14 (a) The Board of Teaching must maintain an easily accessible, user-friendly online
88.15 teacher licensure application system to enable all teacher licensure candidates to upload
88.16 their teacher licensure applications electronically and to select the field and grade level for
88.17 which they seek to be licensed. The online application system must list all types of teacher
88.18 licenses and special permissions available, outline the specific requirements for each type
88.19 of license and special permission, allow candidates to submit applications for all types
88.20 of licenses and special permissions, and be clear and complete. The online application
88.21 form must accommodate Minnesota and out-of-state candidates who completed a teacher
88.22 preparation and training program at either an accredited college or university or a
88.23 nontraditional teacher preparation and training program.

88.24 (b) When completely or partially denying a candidate a teaching license by issuing
88.25 a license that is more limited than the license the candidate seeks, including a restricted
88.26 license, the Board of Teaching, after consulting with the Department of Education if
88.27 appropriate, must notify the candidate in writing clearly explaining: the reason for denying
88.28 or partially denying the candidate a teaching license, including the specific deficiencies
88.29 identified in the candidate's preparation or qualifications; the options available to the
88.30 candidate to pursue the license the candidate seeks; and the candidate's right to appeal a
88.31 denial. Under the two-step appeal process, a candidate may appeal a licensure decision
88.32 to the Board of Teaching for review and, if the board does not find for the candidate,

89.1 the candidate may submit a second appeal, requesting a contested case hearing under
 89.2 Minnesota Statutes, chapter 14.

89.3 (c) The Board of Teaching must grant a one-year full professional teaching license
 89.4 to otherwise qualified teacher licensure candidates who have satisfactorily completed
 89.5 a board-approved teacher preparation program in Minnesota, an accredited teacher
 89.6 preparation program in another state, or all the licensure-specific coursework and other
 89.7 requirements of a Board of Teaching-approved alternative teacher preparation and training
 89.8 program but have not yet successfully completed the content, pedagogy, and skills exams
 89.9 required for licensure. The board may renew a candidate's one-year full professional
 89.10 teaching license under this paragraph up to three times.

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

89.12 Sec. 66. **DATA SECURITY PLAN.**

89.13 Subdivision 1. **Plan components.** To protect education and related workforce
 89.14 data on individual students maintained by public schools, school districts, and state
 89.15 agencies, and consistent with Minnesota Statutes, chapter 13, and sections 116J.401,
 89.16 120B.11, 120B.12, 120B.30, 120B.31, 120B.35, 120B.36, 124D.49, 124D.52, 124D.861,
 89.17 125A.085, and 127A.70, subdivision 2, among other student data-related provisions, the
 89.18 commissioner of education must develop, publish, and oversee a detailed data security
 89.19 plan combining administrative, physical, and technical safeguards that includes:

89.20 (1) requirements for:

89.21 (i) authorizing access to the kindergarten through grade 12 data systems containing
 89.22 personally identifiable information on students;

89.23 (ii) authorizing data and system access for other agencies participating in the
 89.24 Statewide Longitudinal Education Data System and the Early Childhood Longitudinal
 89.25 Data System;

89.26 (iii) authenticating authorized access to and the processing of personally identifiable
 89.27 information on students;

89.28 (iv) protecting data that describes a student or otherwise identifies a student gathered
 89.29 by an operator of a Web site, online service, online application, or mobile application
 89.30 that operates a site, service, or application for kindergarten through grade 12 school
 89.31 purposes; and

89.32 (v) sanctions for employees, contractors, grantees, researchers, and vendors who
 89.33 fail to comply with the guidelines;

89.34 (2) minimum privacy compliance standards based on reasonable and enforceable
 89.35 security measures and practices, including background checks, training opportunities

90.1 and resources, physical and technical safeguards, and privacy and security agreements
90.2 for employees, contractors, grantees, researchers, and vendors with access to personally
90.3 identifiable information on students, among other privacy and security measures and
90.4 practices;

90.5 (3) regular privacy and security compliance audits of the Statewide Longitudinal
90.6 Education Data System and other data systems; and

90.7 (4) data retention, storage, disposal, and security policies and protocols that include:

90.8 (i) safeguards for protecting, managing, accessing, and destroying students'
90.9 personally identifiable data; and

90.10 (ii) plans, notices, and mitigation procedures for responding to data breaches, among
90.11 other policies and protocols.

90.12 Subd. 2. **Plan report.** The commissioner of education must submit a report by
90.13 January 10, 2017, to the committees of the legislature with jurisdiction over education
90.14 and data practices on the Department of Education's progress in developing the data
90.15 security plan and must include in the report estimates of the costs for further developing
90.16 and implementing the plan, including audit, background check, and training costs, among
90.17 other costs.

90.18 Subd. 3. **Plan costs.** The commissioner of education must proceed in developing the
90.19 data security plan under subdivision 1 using existing Department of Education resources.

90.20 Subd. 4. **Plan implementation.** The commissioner of education may not proceed to
90.21 implement the data security plan under this section until July 1, 2017.

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

90.23 Sec. 67. **STAFF DEVELOPMENT GRANTS FOR INTERMEDIATE SCHOOL**
90.24 **DISTRICTS AND OTHER COOPERATIVE UNITS.**

90.25 (a) For fiscal years 2017, 2018, and 2019 only, an intermediate school district or
90.26 other cooperative unit providing instruction to students in federal instructional settings
90.27 of level 4 or higher qualifies for staff development grants equal to \$1,000 times the
90.28 full-time equivalent number of licensed instructional staff and nonlicensed classroom
90.29 aides employed by the intermediate school district or other cooperative unit during the
90.30 previous fiscal year.

90.31 (b) Staff development grants received under this section must be used for activities
90.32 related to enhancing services to students who may have challenging behaviors or mental
90.33 health issues or be suffering from trauma. Specific qualifying staff development activities
90.34 include but are not limited to:

90.35 (1) proactive behavior management;

- 91.1 (2) personal safety training;
 91.2 (3) de-escalation techniques; and
 91.3 (4) adaptation of published curriculum and pedagogy for students with complex
 91.4 learning and behavioral needs.

91.5 (c) The grants received under this section must be reserved and spent only on the
 91.6 activities specified in this section. If funding for purposes of this section is insufficient,
 91.7 the commissioner must prorate the grants.

91.8 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2017
 91.9 and later.

91.10 Sec. 68. **STUDENT DISCIPLINE WORKING GROUP.**

91.11 (a) A student discipline working group is created to review the substance,
 91.12 application, and effect of Minnesota's Pupil Fair Dismissal Act under Minnesota Statutes,
 91.13 sections 121A.40 to 121A.56, and related student discipline provisions in Minnesota
 91.14 Statutes, chapter 121A, and submit written recommendations to the legislature by
 91.15 February 1, 2017, on improving disciplinary policies, practices, and procedures as they
 91.16 affect students and school officials and the effects on student outcomes.

91.17 (b) Consistent with paragraph (a), the working group must analyze:

91.18 (1) available summary data on elementary and secondary students' removal from
 91.19 class, suspensions, exclusions, expulsions, and other disciplinary measures, disaggregated
 91.20 by categories of race, ethnicity, poverty, disability, homelessness, English language
 91.21 proficiency, gender, age, and foster care status;

91.22 (2) the meaning and effect of "willful" in establishing grounds for dismissal under
 91.23 Minnesota Statutes, section 121A.45;

91.24 (3) the impact of positive behavioral interventions and supports and restorative
 91.25 practices on student behavior, student outcomes, and the school climate, including student
 91.26 engagement and connection, among other school climate measures;

91.27 (4) due process rights of students facing dismissal, including changes needed to
 91.28 ensure students' due process rights are fully observed and protected;

91.29 (5) students' need for and access to professional support service providers such
 91.30 as school counselors, school social workers, school psychologists, and mental health
 91.31 professionals;

91.32 (6) the presence of school resource officers in school buildings, their role in affecting
 91.33 student discipline, and their impact on teacher safety and student outcomes;

91.34 (7) policies for retaining and destroying student disciplinary data; and

92.1 (8) other related school discipline matters that are of concern to working group
92.2 members.

92.3 (c) By June 1, 2016, the executive director of each of the following organizations
92.4 shall appoint one representative to serve as a member of the working group: the Minnesota
92.5 School Boards Association; the Minnesota Association of School Administrators;
92.6 Education Minnesota; the Minnesota Board of Peace Officer Standards and Training; the
92.7 Minnesota Disability Law Center; the National Alliance of Mental Illness Minnesota;
92.8 the Parent Advocacy Coalition for Educational Rights (PACER) Center; the Minnesota
92.9 Association of Secondary School Principals; the Minnesota Elementary School Principals'
92.10 Association; the Association of Metropolitan School Districts; the Minnesota Rural
92.11 Education Association; the Minnesota School Counselors Association; the Minnesota
92.12 School Psychologists Association; the School Nurse Organization of Minnesota; the St.
92.13 Paul Special Education Advisory Council; the Solutions Not Suspensions Coalition; the
92.14 Minnesota Education Equity Partnership; MinnCAN; Students for Education Reform; the
92.15 Minnesota Youth Council; Educators 4 Excellence; the African American Leadership
92.16 Forum; the American Indian Opportunities Industrialization Center; the Minnesota
92.17 Association of Charter Schools; the Minnesota Indian Affairs Council; and the Minnesota
92.18 School Social Workers Association. Six legislators shall also be appointed by June
92.19 1, 2016, and serve as members of the working group: three duly elected and currently
92.20 serving senators, two appointed by the senate majority leader and one appointed by the
92.21 senate minority leader; and three duly elected and currently serving members of the
92.22 house of representatives, two appointed by the speaker of the house and one appointed
92.23 by the house of representatives minority leader. Only duly elected and currently serving
92.24 members of the senate or house of representatives may be working group members. If a
92.25 vacancy occurs, the leader of the caucus in the senate or house of representatives to which
92.26 the vacating member belonged must fill the vacancy. Working group members must seek
92.27 advice from experts and stakeholders in developing their recommendations.

92.28 (d) The commissioner of education, or the commissioner's designee, must convene
92.29 the first meeting of the working group. The working group must select a chair or cochair
92.30 from among its members at the first meeting. The working group must meet periodically.
92.31 The commissioner must provide technical and administrative assistance to the working
92.32 group upon request. Working group members are not eligible to receive expenses or per
92.33 diem payments for serving on the working group.

92.34 (e) The working group expires February 2, 2017.

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

93.1 Sec. 69. **NORTHWEST REGIONAL PARTNERSHIP CONCURRENT**
93.2 **ENROLLMENT PROGRAM.**

93.3 Subdivision 1. **Definition.** "Northwest Regional Partnership" means a voluntary
93.4 association of the Lakes Country Service Cooperative, the Northwest Service Cooperative,
93.5 and Minnesota State University-Moorhead that works together to provide coordinated
93.6 higher learning opportunities for teachers.

93.7 Subd. 2. **Establishment.** Lakes Country Service Cooperative, in consultation with
93.8 the Northwest Service Cooperative, may develop a continuing education program to allow
93.9 eligible teachers to attain the requisite graduate credits necessary to be qualified to teach
93.10 secondary school courses for postsecondary credit.

93.11 Subd. 3. **Curriculum development.** Minnesota State University-Moorhead may
93.12 develop an online education curriculum to allow eligible secondary school teachers to
93.13 attain graduate credit at a reduced credit rate.

93.14 Subd. 4. **Funding for course development; scholarships; stipends.** Lakes
93.15 Country Service Cooperative, in consultation with the other members of the Northwest
93.16 Regional Partnership, shall:

93.17 (1) provide funding for course development for up to 18 credits in applicable
93.18 postsecondary subject areas;

93.19 (2) provide scholarships for eligible teachers to enroll in the continuing education
93.20 program; and

93.21 (3) develop criteria for awarding educator stipends on a per-credit basis to
93.22 incentivize participation in the continuing education program.

93.23 Subd. 5. **Participant eligibility.** Participation in the continuing education program
93.24 is reserved for teachers of secondary school courses for postsecondary credit. Priority
93.25 must be given to teachers employed by a school district that is a member of the Lakes
93.26 Country Service Cooperative or Northwest Service Cooperative. Teachers employed
93.27 by a school district that is not a member of the Lakes Country Service Cooperative or
93.28 Northwest Service Cooperative may participate in the continuing education program as
93.29 space allows. A teacher participating in this program is ineligible to participate in other
93.30 concurrent enrollment teacher training grant programs.

93.31 Subd. 6. **Private funding.** The partnership may receive private resources to
93.32 supplement the available public money. All money received shall be administered by
93.33 the Lakes Country Service Cooperative.

93.34 Subd. 7. **Report required.** Northwest Regional Partnership must submit an annual
93.35 report by January 15 of each year on the progress of its activities to the legislature,
93.36 commissioner of education, and Board of Trustees of the Minnesota State Colleges and

94.1 Universities. The annual report shall contain a financial report for the preceding year. The
94.2 first report is due no later than January 15, 2018.

94.3 **EFFECTIVE DATE.** This section is effective July 1, 2016.

94.4 Sec. 70. **GROW YOUR OWN TEACHER RESIDENCY PILOT PROGRAM.**

94.5 (a) For fiscal years 2017, 2018, and 2019 only, a nonconventional teacher residency
94.6 pilot program under Minnesota Statutes, section 122A.09, subdivision 10, paragraph (a),
94.7 is established to provide tuition scholarships or stipends to enable education or teaching
94.8 assistants or other nonlicensed district employees who hold a bachelor's degree from an
94.9 accredited college or university and who seek an elementary education license or a license
94.10 in a subject area for which a shortage exists under Minnesota Statutes, section 127A.05,
94.11 subdivision 6, to participate in a Board of Teaching-approved nonconventional teacher
94.12 residency program under this section.

94.13 (b) School districts or charter schools not participating under paragraph (a) may
94.14 use funds under this section to pay for tuition scholarships or stipends on behalf of
94.15 paraprofessionals employed in the school or district who are enrolled in a Board of
94.16 Teaching-approved teacher preparation program and who are making satisfactory progress
94.17 toward attaining teacher licensure.

94.18 (c) The commissioner of education and the commissioner of the Office of Higher
94.19 Education must evaluate the outcomes and efficacy of the program and, by February 1,
94.20 2017, submit written program recommendations to the committees of the legislature with
94.21 jurisdiction over kindergarten through grade 12 education and higher education, including
94.22 how to continue and expand the program throughout Minnesota.

94.23 Sec. 71. **PILOT PROJECT TO HELP STRUGGLING STUDENTS READ AT**
94.24 **GRADE LEVEL.**

94.25 (a) A pilot project for fiscal year 2017 is established to help struggling,
94.26 underperforming students in grades 3 through 5 read at grade level and close the academic
94.27 achievement gap. Under this pilot project, the commissioner of education shall make a
94.28 grant to a qualified and experienced nonprofit organization to provide three Minnesota
94.29 public schools with: a research-based intervention software program demonstrated to
94.30 effectively use singing to improve students' reading ability; technical training and staff to
94.31 install project software; on-site professional development and instructional monitoring
94.32 and support for school staff and students; preproject and postproject online reading
94.33 assessments developed by the University of Minnesota; and other project management
94.34 services. A participating school must identify a trained supervisor and other school staff

95.1 to work with students using the software in the computer lab and coordinate and review
95.2 students' weekly lab use.

95.3 (b) The commissioner, in consultation with the nonprofit organization receiving the
95.4 grant, must select three public elementary schools, located in an urban, suburban, and
95.5 greater Minnesota school district, respectively, to participate in the project based on:

95.6 (1) the number and percent of enrolled students in grades 3 through 5 whose
95.7 proficiency on the Minnesota Comprehensive Assessment in reading is below grade level
95.8 and who are eligible for free or reduced-price lunch;

95.9 (2) the interest of the school principal, teachers, and other school staff in
95.10 participating in the project; and

95.11 (3) the availability of a computer lab for the project and its software.

95.12 (c) The nonprofit organization receiving the grant must submit a
95.13 commissioner-reviewed report to the committees of the legislature with jurisdiction over
95.14 kindergarten through grade 12 education by February 1, 2017, using summary data to
95.15 compare and evaluate the reading gains of the third to fifth grade students in the three
95.16 schools that participated in the project and third to fifth grade students in schools that did
95.17 not participate in the project and recommend whether to continue or expand the project.

95.18 **EFFECTIVE DATE.** This section is effective July 1, 2016.

95.19 Sec. 72. **LEGISLATIVE AUDITOR.**

95.20 The legislative auditor is requested to perform a financial audit of the Perpich Center
95.21 for Arts Education in calendar year 2016, and at least every four calendar years thereafter.

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

95.23 Sec. 73. **STATEWIDE SCHOOL TEACHER AND ADMINISTRATOR JOB**
95.24 **BOARD.**

95.25 For fiscal years 2017, 2018, and 2019 only, the Board of Teaching must contract for
95.26 an electronic statewide school teacher and administrator job board. The job board must
95.27 allow school districts to post job openings for prekindergarten through grade 12 teaching
95.28 and administrative positions.

95.29 **EFFECTIVE DATE.** This section is effective July 1, 2016.

95.30 Sec. 74. **CERTIFICATION INCENTIVE REVENUE.**

96.1 Subdivision 1. **Qualifying certificates.** As soon as practicable, the commissioner
96.2 of education, in consultation with the Governor's Workforce Development Council
96.3 established under Minnesota Statutes, section 116L.665, and the P-20 education
96.4 partnership operating under Minnesota Statutes, section 127A.70, must establish the list of
96.5 qualifying career and technical certificates and post the names of those certificates on the
96.6 Department of Education's Web site. The certificates must be in fields where occupational
96.7 opportunities exist.

96.8 Subd. 2. **School district participation.** (a) A school board may adopt a policy
96.9 authorizing its students in grades 9 through 12, including its students enrolled in
96.10 postsecondary enrollment options courses under Minnesota Statutes, section 124D.09, the
96.11 opportunity to complete a qualifying certificate. The certificate may be completed as part
96.12 of a regularly scheduled course.

96.13 (b) A school district may register a student for any assessment necessary to complete
96.14 a qualifying certificate and pay any associated registration fees for its students.

96.15 Subd. 3. **Incentive funding.** (a) A school district's career and technical certification
96.16 aid equals \$500 times the district's number of students enrolled during the current fiscal
96.17 year who have obtained one or more qualifying certificates during the current fiscal year.

96.18 (b) The statewide total certificate revenue must not exceed \$1,000,000. The
96.19 commissioner must proportionately reduce the initial aid provided under this subdivision
96.20 so that the statewide aid cap is not exceeded.

96.21 Subd. 4. **Reports to the legislature.** (a) The commissioner of education must
96.22 report to the committees of the legislature with jurisdiction over kindergarten through
96.23 grade 12 education and higher education by February 1, 2017, on the number and types
96.24 of certificates authorized for the 2016-2017 school year. The commissioner must also
96.25 recommend whether the pilot program should be continued.

96.26 (b) By February 1, 2018, the commissioner of education must report to the
96.27 committees of the legislature with jurisdiction over kindergarten through grade 12
96.28 education and higher education about the number and types of certificates earned by
96.29 Minnesota's students during the 2016-2017 school year.

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

96.31 Sec. 75. **APPROPRIATIONS.**

97.1 Subdivision 1. **Department of Education.** The sums indicated in this section
 97.2 are appropriated from the general fund to the Department of Education for the fiscal
 97.3 year designated.

97.4 Subd. 2. **Staff development grants for cooperative units.** For payment of staff
 97.5 development grants to intermediate school districts and other cooperative units providing
 97.6 instruction to students in federal instructional settings of level 4 or higher:

97.7 \$ 6,000,000 2017

97.8 This is a onetime appropriation. This appropriation is available until June 30,
 97.9 2019. To the extent practicable, this appropriation should fund staff development grants
 97.10 for intermediate school districts and other cooperative units for fiscal years 2017, 2018,
 97.11 and 2019.

97.12 Subd. 3. **Northwest Regional Partnership concurrent enrollment program.** For a
 97.13 grant to the Lakes Country Service Cooperative to operate a continuing education program:

97.14 \$ 3,000,000 2017

97.15 This is a onetime appropriation. This appropriation is available until June 30, 2019.

97.16 Subd. 4. **Grow Your Own tuition scholarships and stipends.** For a school district
 97.17 to provide tuition scholarships and stipends to eligible employees under the Grow Your
 97.18 Own teacher residency pilot program:

97.19 \$ 1,500,000 2017

97.20 This is a onetime appropriation. This appropriation is available until June 30, 2019.

97.21 Subd. 5. **Sanneh Foundation.** For a grant to the Sanneh Foundation:

97.22 \$ 1,500,000 2017

97.23 Funds appropriated in this section are to provide all-day, in-school, and after-school
 97.24 academic and behavioral interventions for low-performing and chronically absent students
 97.25 with a focus on low-income students and students of color throughout the school year and
 97.26 during the summer to decrease absenteeism, encourage school engagement, and improve
 97.27 grades and graduation rates. Funds appropriated in this section may be used to hire and
 97.28 train staff in areas of youth mentorship, behavior support, and academic tutoring in group
 97.29 and individual settings and to promote pathways for teachers of color.

97.30 This is a onetime appropriation. This appropriation is available until June 30, 2019.

97.31 Subd. 6. **Western Minnesota mobile manufacturing lab.** For a transfer to the
 97.32 Pine to Prairie Cooperative Center:

98.1 \$ 900,000 2017

98.2 The funds in this subdivision must be used to establish a western Minnesota mobile
98.3 labs program, including manufacturing and welding labs to create interest in these careers
98.4 for secondary students. The program must be operated by Pine to Prairie Cooperative
98.5 Center in collaboration with Northland Community and Technical College, Lakes Country
98.6 Service Cooperative, and Minnesota State Community and Technical College.

98.7 This is a onetime appropriation. This appropriation is available until June 30, 2019.

98.8 Subd. 7. **Music pilot project appropriation.** For a grant to a qualified nonprofit
98.9 organization to provide three Minnesota public elementary schools with a research-based
98.10 intervention software program that effectively uses singing to improve students' reading
98.11 ability:

98.12 \$ 100,000 2017

98.13 This is a onetime appropriation.

98.14 Subd. 8. **School crisis response teams.** For school crisis response teams under
98.15 Minnesota Statutes, section 119A.035:

98.16 \$ 100,000 2017

98.17 This is a onetime appropriation. This appropriation is available until June 30, 2019.

98.18 Subd. 9. **Positive Behavioral Interventions and Supports (PBIS).** For
98.19 implementation of schoolwide Positive Behavioral Interventions and Supports (PBIS) in
98.20 schools and districts throughout Minnesota to reduce the use of restrictive procedures and
98.21 increase use of positive practices:

98.22 \$ 2,750,000 2017

98.23 This is a onetime appropriation.

98.24 Subd. 10. **Girls in Action grant.** For a grant to the Girls in Action program to
98.25 enable Girls in Action to continue to provide and to expand Twin Cities metropolitan area
98.26 school and community-based programs that encourage and support low-income girls,
98.27 including low-income girls of color, to graduate from high school on time, complete a
98.28 postsecondary preparation program, become community leaders, and participate in service
98.29 learning opportunities in their communities. Girls in Action must expend \$500,000 of this
98.30 appropriation for community-based programs located in the Twin Cities metropolitan area:

98.31 \$ 1,500,000 2017

98.32 This is a onetime appropriation. This appropriation is available until June 30, 2019.

99.1 Subd. 11. **Concurrent enrollment teacher training grants.** For concurrent
99.2 enrollment teacher training grants under Minnesota Statutes, section 124D.091,
99.3 subdivision 4:

99.4 \$ 750,000 2017

99.5 This is a onetime appropriation. This appropriation is available until June 30, 2019.

99.6 Subd. 12. **Minnesota Council on Economic Education.** For a grant to the
99.7 Minnesota Council on Economic Education to provide staff development to teachers
99.8 for implementing the state graduation standards in learning areas relating to economic
99.9 education:

99.10 \$ 250,000 2017

99.11 The commissioner, in consultation with the council, shall develop expectations for
99.12 staff development outcomes, eligibility criteria for participants, an evaluation procedure,
99.13 and guidelines for direct and in-kind contributions by the council.

99.14 This is a onetime appropriation. This appropriation is available until June 30, 2019.

99.15 Subd. 13. **Certificate incentive funding.** For the certificate incentive program:

99.16 \$ 1,000,000 2017

99.17 This is a onetime appropriation. This appropriation is available until June 30, 2019.

99.18 Subd. 14. **Southwest Minnesota State University special education teacher**
99.19 **education program.** The following sums are appropriated in the fiscal years designated
99.20 from the general fund to the commissioner of education for the Southwest Minnesota State
99.21 University special education teacher education program to support special education
99.22 paraprofessionals working toward licensure in an online program:

99.23 \$ 385,000 2017

99.24 The base for this program in fiscal year 2018 is \$0.

99.25 Sec. 76. **APPROPRIATION; JOB BOARD.**

99.26 \$239,000 in fiscal year 2017 is appropriated from the general fund to the Board of
99.27 Teaching for an electronic statewide job board. The board may expend \$79,000 of this
99.28 appropriation in fiscal year 2017, and the remaining unexpended funds are available
99.29 until June 30, 2019.

99.30 Sec. 77. **APPROPRIATION; FUTURE TEACHERS GRANT PROGRAM.**

100.1 \$4,500,000 in fiscal year 2017 is appropriated from the general fund to the
100.2 commissioner of the Office of Higher Education for the Minnesota future teachers grant
100.3 program. This is a onetime appropriation. This appropriation is available until June 30,
100.4 2019.

100.5 Sec. 78. **APPROPRIATION; STUDENT TEACHERS IN SHORTAGE AREAS;**
100.6 **GRANTS.**

100.7 \$1,000,000 in fiscal year 2017 is appropriated from the general fund to the
100.8 commissioner of the Office of Higher Education for grants to student teachers in shortage
100.9 areas. This is a onetime appropriation. This appropriation is available until June 30, 2019.

100.10 Sec. 79. **APPROPRIATION; SCHOOL-LINKED MENTAL HEALTH**
100.11 **SERVICES.**

100.12 \$5,000,000 in fiscal year 2017 is appropriated from the general fund to the
100.13 commissioner of human services for children's mental health grants under Minnesota
100.14 Statutes, section 245.4889, subdivision 1, paragraph (b), clause (8), for current grantees to
100.15 expand access to school-linked mental health services and to provide training to grantees
100.16 on the use of evidence-based practices. This appropriation is available until June 30, 2019.
100.17 To the extent practicable, the commissioner of human services is encouraged to expend
100.18 the fiscal year 2017 appropriation equally over fiscal years 2017, 2018, and 2019.

100.19 Sec. 80. **REVISOR'S INSTRUCTION.**

100.20 In the next and subsequent editions of Minnesota Statutes, the revisor of statutes
100.21 shall renumber the section on innovative delivery of career and technical education
100.22 programs as Minnesota Statutes, section 124D.339.

100.23 Sec. 81. **REPEALER.**

100.24 (a) Minnesota Statutes 2014, sections 120B.299, subdivision 5; 122A.413,
100.25 subdivision 3; and 122A.74, are repealed.

100.26 (b) Minnesota Statutes 2015 Supplement, section 122A.413, subdivisions 1 and
100.27 2, are repealed.

100.28 (c) Minnesota Statutes 2014, sections 122A.40, subdivision 11; and 122A.41,
100.29 subdivision 14, are repealed effective July 1, 2017.

100.30 (d) Minnesota Rules, part 3535.0110, subparts 6, 7, and 8, are repealed.

100.31 **EFFECTIVE DATE.** Paragraph (d) is effective the day following final enactment.

101.1 **ARTICLE 9**101.2 **CHARTER SCHOOLS**

101.3 Section 1. Minnesota Statutes 2015 Supplement, section 124E.05, subdivision 4, is
101.4 amended to read:

101.5 Subd. 4. **Application content.** (a) An applicant must include in its application to
101.6 the commissioner to be an approved authorizer at least the following:

101.7 (1) how chartering schools is a way for the organization to carry out its mission;

101.8 ~~(2) a description of the capacity of the organization to serve as an authorizer,~~

101.9 ~~including the personnel who will perform the authorizing duties, their qualifications, the~~

101.10 ~~amount of time they will be assigned to this responsibility, and the financial resources~~

101.11 ~~allocated by the organization to this responsibility;~~

101.12 (2) a description of the capacity of the organization to serve as an authorizer,

101.13 including the positions allocated to authorizing duties, the qualifications for those

101.14 positions, the full-time equivalencies of those positions, and the financial resources

101.15 available to fund the positions. The commissioner may use information about specific

101.16 individuals expected to perform the authorizing duties in deciding whether to approve

101.17 or disapprove an organization's application to be approved as an authorizer. The

101.18 commissioner may not use information about specific individuals performing the

101.19 authorizing duties in reviewing an approved authorizer's performance;

101.20 (3) a description of the application and review process the authorizer will use to
101.21 make decisions regarding the granting of charters;

101.22 (4) a description of the type of contract it will arrange with the schools it charters
101.23 that meets the provisions of section 124E.10;

101.24 (5) the process to be used for providing ongoing oversight of the school consistent
101.25 with the contract expectations specified in clause (4) that assures that the schools chartered
101.26 are complying with both the provisions of applicable law and rules, and with the contract;

101.27 (6) a description of the criteria and process the authorizer will use to grant expanded
101.28 applications under section 124E.06, subdivision 5;

101.29 (7) the process for making decisions regarding the renewal or termination of
101.30 the school's charter based on evidence that demonstrates the academic, organizational,
101.31 and financial competency of the school, including its success in increasing student
101.32 achievement and meeting the goals of the charter school agreement; and

101.33 (8) an assurance specifying that the organization is committed to serving as an
101.34 authorizer for the full five-year term.

102.1 (b) Notwithstanding paragraph (a), an authorizer that is a school district may satisfy
102.2 the requirements of paragraph (a), clauses (1) and (2), and any requirement governing a
102.3 conflict of interest between an authorizer and its charter schools or ongoing evaluation and
102.4 continuing education of an administrator or other professional support staff by submitting
102.5 to the commissioner a written promise to comply with the requirements.

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

102.7 Sec. 2. Minnesota Statutes 2015 Supplement, section 124E.05, subdivision 5, is
102.8 amended to read:

102.9 Subd. 5. **Review by commissioner.** (a) The commissioner shall review an
102.10 authorizer's performance every five years in a manner and form determined by the
102.11 commissioner, subject to paragraphs (b) and (c), and may review an authorizer's
102.12 performance more frequently at the commissioner's own initiative or at the request of a
102.13 charter school operator, charter school board member, or other interested party. The
102.14 commissioner, after completing the review, shall transmit a report with findings to the
102.15 authorizer.

102.16 (b) Consistent with this subdivision, the commissioner must:

102.17 (1) use criteria appropriate to the authorizer and the schools it charters to review
102.18 the authorizer's performance; and

102.19 (2) consult with authorizers, charter school operators, and other charter school
102.20 stakeholders in developing review criteria under this paragraph.

102.21 (c) The commissioner's form must use existing department data on the authorizer to
102.22 minimize duplicate reporting to the extent practicable. When reviewing an authorizer's
102.23 performance under this subdivision, the commissioner must not:

102.24 (1) fail to credit;

102.25 (2) withhold points; or

102.26 (3) otherwise penalize an authorizer for failing to charter additional schools or for
102.27 the absence of complaints against the authorizer's current portfolio of charter schools.

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

102.29 Sec. 3. Minnesota Statutes 2015 Supplement, section 124E.05, subdivision 7, is
102.30 amended to read:

102.31 Subd. 7. **Withdrawal.** If the governing board of an approved authorizer votes to
102.32 withdraw as an approved authorizer for a reason unrelated to any cause under section
102.33 124E.10, subdivision 4, the authorizer must notify all its chartered schools and the

103.1 commissioner in writing by July 15 of its intent to withdraw as an authorizer on June 30
103.2 in the next calendar year, regardless of when the authorizer's five-year term of approval
103.3 ends. The commissioner may approve the transfer of a charter school to a new authorizer
103.4 under ~~this subdivision after the new authorizer submits an affidavit to the commissioner~~
103.5 section 124E.10, subdivision 5.

103.6 Sec. 4. Minnesota Statutes 2015 Supplement, section 124E.10, subdivision 1, is
103.7 amended to read:

103.8 Subdivision 1. **Contents.** (a) The authorization for a charter school must be in the
103.9 form of a written contract signed by the authorizer and the board of directors of the charter
103.10 school. The contract must be completed within 45 business days of the commissioner's
103.11 approval of the authorizer's affidavit. The authorizer shall submit to the commissioner a
103.12 copy of the signed charter contract within ten business days of its execution. The contract
103.13 for a charter school must be in writing and contain at least the following:

103.14 (1) a declaration that the charter school will carry out the primary purpose in section
103.15 124E.01, subdivision 1, and how the school will report its implementation of the primary
103.16 purpose;

103.17 (2) a declaration of the additional purpose or purposes in section 124E.01,
103.18 subdivision 1, that the school intends to carry out and how the school will report its
103.19 implementation of those purposes;

103.20 (3) a description of the school program and the specific academic and nonacademic
103.21 outcomes that pupils must achieve;

103.22 (4) a statement of admission policies and procedures;

103.23 (5) a governance, management, and administration plan for the school;

103.24 (6) signed agreements from charter school board members to comply with all
103.25 federal and state laws governing organizational, programmatic, and financial requirements
103.26 applicable to charter schools;

103.27 (7) the criteria, processes, and procedures that the authorizer will use to monitor and
103.28 evaluate the fiscal, operational, and academic performance consistent with subdivision
103.29 3, paragraphs (a) and (b);

103.30 (8) for contract renewal, the formal written performance evaluation of the school
103.31 that is a prerequisite for reviewing a charter contract under subdivision 3;

103.32 (9) types and amounts of insurance liability coverage to be obtained by the charter
103.33 school, consistent with section 124E.03, subdivision 2, paragraph (d);

103.34 (10) consistent with section 124E.09, paragraph (d), a provision to indemnify and
103.35 hold harmless the authorizer and its officers, agents, and employees from any suit, claim,

104.1 or liability arising from any operation of the charter school, and the commissioner and
104.2 department officers, agents, and employees notwithstanding section 3.736;

104.3 (11) the term of the initial contract, which may be up to five years plus ~~an additional~~
104.4 a preoperational planning year period, and up to five years for a renewed contract or a
104.5 contract with a new authorizer after a transfer of authorizers, if warranted by the school's
104.6 academic, financial, and operational performance;

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

104.12 (13) the specific conditions for contract renewal that identify performance of all
104.13 students under the primary purpose of section 124E.01, subdivision 1, as the most
104.14 important factor in determining contract renewal;

104.15 (14) the additional purposes under section 124E.01, subdivision 1, and related
104.16 performance obligations under clause (7) contained in the charter contract as additional
104.17 factors in determining contract renewal; and

104.18 (15) the plan for an orderly closing of the school under chapter 317A, whether
104.19 the closure is a termination for cause, a voluntary termination, or a nonrenewal of the
104.20 contract, that includes establishing the responsibilities of the school board of directors
104.21 and the authorizer and notifying the commissioner, authorizer, school district in which the
104.22 charter school is located, and parents of enrolled students about the closure, information
104.23 and assistance sufficient to enable the student to re-enroll in another school, the transfer
104.24 of student records under section 124E.03, subdivision 5, paragraph (b), and procedures
104.25 for closing financial operations.

104.26 (b) A charter school must design its programs to at least meet the outcomes adopted
104.27 by the commissioner for public school students, including world's best workforce goals
104.28 under section 120B.11, subdivision 1. In the absence of the commissioner's requirements,
104.29 the school must meet the outcomes contained in the contract with the authorizer. The
104.30 achievement levels of the outcomes contained in the contract may exceed the achievement
104.31 levels of any outcomes adopted by the commissioner for public school students.

104.32 Sec. 5. Minnesota Statutes 2015 Supplement, section 124E.10, subdivision 5, is
104.33 amended to read:

104.34 Subd. 5. **Mutual nonrenewal.** If the authorizer and the charter school board of
104.35 directors mutually agree not to renew the contract, or if the governing board of an approved

105.1 authorizer votes to withdraw as an approved authorizer for a reason unrelated to any cause
 105.2 under subdivision 4, a change in authorizers is allowed. The authorizer and the school
 105.3 board must jointly submit a written and signed letter of their intent to the commissioner to
 105.4 mutually not renew the contract. The authorizer that is a party to the existing contract must
 105.5 inform the proposed authorizer about the fiscal, operational, and student performance status
 105.6 of the school, ~~as well as any~~ including unmet contract outcomes and other outstanding
 105.7 contractual obligations that exist. The charter contract between the proposed authorizer
 105.8 and the school must identify and provide a plan to address any outstanding obligations from
 105.9 the previous contract. The proposed contract must be submitted at least 105 business days
 105.10 before the end of the existing charter contract. The commissioner shall have 30 business
 105.11 days to review and make a determination. The proposed authorizer and the school shall
 105.12 have 15 business days to respond to the determination and address any issues identified by
 105.13 the commissioner. A final determination by the commissioner shall be made no later than
 105.14 45 business days before the end of the current charter contract. If no change in authorizer
 105.15 is approved, the school and the current authorizer may withdraw their letter of nonrenewal
 105.16 and enter into a new contract. If the transfer of authorizers is not approved and the current
 105.17 authorizer and the school do not withdraw their letter and enter into a new contract, the
 105.18 school must be dissolved according to applicable law and the terms of the contract.

105.19 Sec. 6. Minnesota Statutes 2015 Supplement, section 124E.16, subdivision 2, is
 105.20 amended to read:

105.21 Subd. 2. **Annual public reports.** (a) A charter school must publish an annual report
 105.22 approved by the board of directors. The annual report must at least include information
 105.23 on school enrollment, student attrition, governance and management, staffing, finances,
 105.24 academic performance, innovative practices and implementation, and future plans. A
 105.25 charter school may combine this report with the reporting required under section 120B.11.
 105.26 A charter school must post the annual report on the school's official Web site. A charter
 105.27 school must also distribute the annual report by publication, mail, or electronic means to
 105.28 its authorizer, school employees, and parents and legal guardians of students enrolled in
 105.29 the charter school. The reports are public data under chapter 13.

105.30 (b) ~~The commissioner shall establish specifications for~~ An authorizer must submit an
 105.31 authorizer's annual public report that in a manner specified by the commissioner by January
 105.32 15 for the previous school year ending June 30 that shall at least include key indicators of
 105.33 school academic, operational, and financial performance. The report is part of the system
 105.34 to evaluate authorizer performance under section 124E.05, subdivision 5. The report shall
 105.35 at least include key indicators of school academic, operational, and financial performance.

106.1 Sec. 7. Minnesota Statutes 2014, section 127A.45, subdivision 6a, is amended to read:

106.2 Subd. 6a. **Cash flow adjustment.** The board of directors of any ~~charter school~~
106.3 ~~servicing fewer than 200 students where the percent of students eligible for special~~
106.4 ~~education services equals at least 90 percent of the charter school's total enrollment~~
106.5 eligible special education charter school under section 124E.21, subdivision 2, may
106.6 request that the commissioner of education accelerate the school's cash flow under this
106.7 section. The commissioner must approve a properly submitted request within 30 days of
106.8 its receipt. The commissioner must accelerate the school's regular special education aid
106.9 payments according to the schedule in the school's request and modify the payments to the
106.10 school under subdivision 3 accordingly. A school must not receive current payments of
106.11 regular special education aid exceeding 90 percent of its estimated aid entitlement for the
106.12 fiscal year. The commissioner must delay the special education aid payments to all other
106.13 school districts and charter schools in proportion to each district or charter school's total
106.14 share of regular special education aid such that the overall aid payment savings from the
106.15 aid payment shift remains unchanged for any fiscal year.

106.16 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
106.17 later.

106.18 Sec. 8. Laws 2015, First Special Session chapter 3, article 4, section 4, the effective
106.19 date, is amended to read:

106.20 **EFFECTIVE DATE.** This section is effective the day following final enactment
106.21 except the provision under paragraph (g) allowing prekindergarten deaf or hard-of-hearing
106.22 pupils to enroll in a charter school is effective ~~only if the commissioner of education~~
106.23 ~~determines there is no added cost attributable to the pupil~~ for the 2016-2017 school year
106.24 and later.

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

106.26 ARTICLE 10

106.27 SPECIAL EDUCATION

106.28 Section 1. Minnesota Statutes 2015 Supplement, section 120B.125, is amended to read:

106.29 **120B.125 PLANNING FOR STUDENTS' SUCCESSFUL TRANSITION**
106.30 **TO POSTSECONDARY EDUCATION AND EMPLOYMENT; PERSONAL**
106.31 **LEARNING PLANS.**

107.1 (a) Consistent with sections 120B.13, 120B.131, 120B.132, 120B.14, 120B.15,
107.2 120B.30, subdivision 1, paragraph (c), 125A.08, and other related sections, school
107.3 districts, beginning in the 2013-2014 school year, must assist all students by no later
107.4 than grade 9 to explore their educational, college, and career interests, aptitudes, and
107.5 aspirations and develop a plan for a smooth and successful transition to postsecondary
107.6 education or employment. All students' plans must:

107.7 (1) provide a comprehensive plan to prepare for and complete a career and college
107.8 ready curriculum by meeting state and local academic standards and developing career and
107.9 employment-related skills such as team work, collaboration, creativity, communication,
107.10 critical thinking, and good work habits;

107.11 (2) emphasize academic rigor and high expectations;

107.12 (3) help students identify interests, aptitudes, aspirations, and personal learning
107.13 styles that may affect their career and college ready goals and postsecondary education
107.14 and employment choices;

107.15 (4) set appropriate career and college ready goals with timelines that identify
107.16 effective means for achieving those goals;

107.17 (5) help students access education and career options;

107.18 (6) integrate strong academic content into career-focused courses and applied and
107.19 experiential learning opportunities and integrate relevant career-focused courses and
107.20 applied and experiential learning opportunities into strong academic content;

107.21 (7) help identify and access appropriate counseling and other supports and assistance
107.22 that enable students to complete required coursework, prepare for postsecondary education
107.23 and careers, and obtain information about postsecondary education costs and eligibility
107.24 for financial aid and scholarship;

107.25 (8) help identify collaborative partnerships among prekindergarten through grade
107.26 12 schools, postsecondary institutions, economic development agencies, and local and
107.27 regional employers that support students' transition to postsecondary education and
107.28 employment and provide students with applied and experiential learning opportunities; and

107.29 (9) be reviewed and revised at least annually by the student, the student's parent or
107.30 guardian, and the school or district to ensure that the student's course-taking schedule keeps
107.31 the student making adequate progress to meet state and local academic standards and high
107.32 school graduation requirements and with a reasonable chance to succeed with employment
107.33 or postsecondary education without the need to first complete remedial course work.

107.34 (b) A school district may develop grade-level curricula or provide instruction that
107.35 introduces students to various careers, but must not require any curriculum, instruction,
107.36 or employment-related activity that obligates an elementary or secondary student to

108.1 involuntarily select or pursue a career, career interest, employment goals, or related job
108.2 training.

108.3 (c) Educators must possess the knowledge and skills to effectively teach all English
108.4 learners in their classrooms. School districts must provide appropriate curriculum,
108.5 targeted materials, professional development opportunities for educators, and sufficient
108.6 resources to enable English learners to become career and college ready.

108.7 (d) When assisting students in developing a plan for a smooth and successful
108.8 transition to postsecondary education and employment, districts must recognize the unique
108.9 possibilities of each student and ensure that the contents of each student's plan reflect the
108.10 student's unique talents, skills, and abilities as the student grows, develops, and learns.

108.11 (e) If a student with a disability has an individualized education program (IEP) or
108.12 standardized written plan that meets the plan components of this section, the IEP satisfies
108.13 the requirement and no additional transition plan is needed.

108.14 Sec. 2. Minnesota Statutes 2014, section 122A.31, subdivision 3, is amended to read:

108.15 Subd. 3. **Qualified interpreters.** The Department of Education ~~and the resource~~
108.16 ~~center:~~ state specialist for deaf and hard-of-hearing ~~hard-of-hearing~~ shall work with
108.17 existing interpreter/transliterator training programs, other training/educational institutions,
108.18 and the regional service centers to ensure that ongoing staff development training for
108.19 educational interpreters/transliterators is provided throughout the state.

108.20 Sec. 3. Minnesota Statutes 2014, section 124D.15, subdivision 15, is amended to read:

108.21 Subd. 15. **Eligibility.** A child is eligible to participate in a school readiness program
108.22 if the child:

108.23 (1) is at least three years old on September 1;

108.24 (2) has completed health and developmental screening within 90 days of program
108.25 enrollment under sections 121A.16 to 121A.19; and

108.26 (3) has one or more of the following risk factors:

108.27 (i) qualifies for free or reduced-price lunch;

108.28 (ii) is an English learner;

108.29 (iii) is homeless;

108.30 (iv) has an individualized education program (IEP) or ~~an individual interagency~~
108.31 ~~intervention plan (IHP)~~ standardized written plan;

108.32 (v) is identified, through health and developmental screenings under sections
108.33 121A.16 to 121A.19, with a potential risk factor that may influence learning; or

108.34 (vi) is defined as ~~at-risk~~ at risk by the school district.

109.1 Sec. 4. Minnesota Statutes 2015 Supplement, section 125A.08, is amended to read:

109.2 **125A.08 INDIVIDUALIZED EDUCATION PROGRAMS.**

109.3 (a) At the beginning of each school year, each school district shall have in effect, for
109.4 each child with a disability, an individualized education program.

109.5 (b) As defined in this section, every district must ensure the following:

109.6 (1) all students with disabilities are provided the special instruction and services
109.7 which are appropriate to their needs. Where the individualized education program team
109.8 has determined appropriate goals and objectives based on the student's needs, including
109.9 the extent to which the student can be included in the least restrictive environment,
109.10 and where there are essentially equivalent and effective instruction, related services, or
109.11 assistive technology devices available to meet the student's needs, cost to the district may
109.12 be among the factors considered by the team in choosing how to provide the appropriate
109.13 services, instruction, or devices that are to be made part of the student's individualized
109.14 education program. The individualized education program team shall consider and
109.15 may authorize services covered by medical assistance according to section 256B.0625,
109.16 subdivision 26. The student's needs and the special education instruction and services to
109.17 be provided must be agreed upon through the development of an individualized education
109.18 program. The program must address the student's need to develop skills to live and work
109.19 as independently as possible within the community. The individualized education program
109.20 team must consider positive behavioral interventions, strategies, and supports that address
109.21 behavior needs for children. During grade 9, the program must address the student's
109.22 needs for transition from secondary services to postsecondary education and training,
109.23 employment, community participation, recreation, and leisure and home living. In
109.24 developing the program, districts must inform parents of the full range of transitional goals
109.25 and related services that should be considered. The program must include a statement of
109.26 the needed transition services, including a statement of the interagency responsibilities
109.27 or linkages or both before secondary services are concluded. If the IEP meets the plan
109.28 components in section 120B.125, the IEP satisfies the requirement and no additional
109.29 transition plan is needed;

109.30 (2) children with a disability under age five and their families are provided special
109.31 instruction and services appropriate to the child's level of functioning and needs;

109.32 (3) children with a disability and their parents or guardians are guaranteed procedural
109.33 safeguards and the right to participate in decisions involving identification, assessment
109.34 including assistive technology assessment, and educational placement of children with a
109.35 disability;

110.1 (4) eligibility and needs of children with a disability are determined by an initial
110.2 evaluation or reevaluation, which may be completed using existing data under United
110.3 States Code, title 20, section 33, et seq.;

110.4 (5) to the maximum extent appropriate, children with a disability, including those
110.5 in public or private institutions or other care facilities, are educated with children who
110.6 are not disabled, and that special classes, separate schooling, or other removal of children
110.7 with a disability from the regular educational environment occurs only when and to the
110.8 extent that the nature or severity of the disability is such that education in regular classes
110.9 with the use of supplementary services cannot be achieved satisfactorily;

110.10 (6) in accordance with recognized professional standards, testing and evaluation
110.11 materials, and procedures used for the purposes of classification and placement of children
110.12 with a disability are selected and administered so as not to be racially or culturally
110.13 discriminatory; and

110.14 (7) the rights of the child are protected when the parents or guardians are not known
110.15 or not available, or the child is a ward of the state.

110.16 (c) For all paraprofessionals employed to work in programs whose role in part is
110.17 to provide direct support to students with disabilities, the school board in each district
110.18 shall ensure that:

110.19 (1) before or beginning at the time of employment, each paraprofessional must
110.20 develop sufficient knowledge and skills in emergency procedures, building orientation,
110.21 roles and responsibilities, confidentiality, vulnerability, and reportability, among other
110.22 things, to begin meeting the needs, especially disability-specific and behavioral needs, of
110.23 the students with whom the paraprofessional works;

110.24 (2) annual training opportunities are required to enable the paraprofessional to
110.25 continue to further develop the knowledge and skills that are specific to the students with
110.26 whom the paraprofessional works, including understanding disabilities, the unique and
110.27 individual needs of each student according to the student's disability and how the disability
110.28 affects the student's education and behavior, following lesson plans, and implementing
110.29 follow-up instructional procedures and activities; and

110.30 (3) a districtwide process obligates each paraprofessional to work under the ongoing
110.31 direction of a licensed teacher and, where appropriate and possible, the supervision of a
110.32 school nurse.

110.33 Sec. 5. Minnesota Statutes 2015 Supplement, section 125A.083, is amended to read:

110.34 **125A.083 STUDENT INFORMATION SYSTEMS; TRANSFERRING**
110.35 **RECORDS.**

111.1 (a) To efficiently and effectively meet federal and state compliance and
 111.2 accountability requirements using an online case management reporting system, beginning
 111.3 July 1, 2018, a school districts district may contract only for a student information system
 111.4 that is Schools Interoperability Framework compliant and compatible with the.

111.5 (b) Beginning on July 1 of the fiscal year following the year that the commissioner
 111.6 of education certifies to the legislature under paragraph (c) that a compatible compliant
 111.7 system exists, a school district must use an online system for compliance reporting
 111.8 under section 125A.085 beginning in the 2018-2019 school year and later. A district's
 111.9 information system under this section must facilitate the seamless transfer of student
 111.10 records for a student with disabilities who transfers between school districts, including
 111.11 records containing the student's evaluation report, service plan, and other due process
 111.12 forms and information, regardless of what information system any one district uses.

111.13 (c) As a part of the annual report required under section 125A.085, paragraph (f), the
 111.14 commissioner must specify whether a compatible compliant system exists and if so, list
 111.15 each vendor's systems that meet the criteria in paragraph (b).

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

111.17 Sec. 6. Minnesota Statutes 2014, section 125A.091, subdivision 11, is amended to read:

111.18 Subd. 11. **Facilitated team meeting.** A facilitated team meeting is an IEP, IFSP, or
 111.19 ~~HHP~~ multiagency team meeting led by an impartial state-provided facilitator to promote
 111.20 effective communication and assist a team in developing an individualized education
 111.21 program.

111.22 Sec. 7. Minnesota Statutes 2015 Supplement, section 125A.0942, subdivision 3,
 111.23 is amended to read:

111.24 Subd. 3. **Physical holding or seclusion.** (a) Physical holding or seclusion may be
 111.25 used only in an emergency. A school that uses physical holding or seclusion shall meet the
 111.26 following requirements:

111.27 (1) physical holding or seclusion is the least intrusive intervention that effectively
 111.28 responds to the emergency;

111.29 (2) physical holding or seclusion is not used to discipline a noncompliant child;

111.30 (3) physical holding or seclusion ends when the threat of harm ends and the staff
 111.31 determines the child can safely return to the classroom or activity;

111.32 (4) staff directly observes the child while physical holding or seclusion is being used;

112.1 (5) each time physical holding or seclusion is used, the staff person who implements
 112.2 or oversees the physical holding or seclusion documents, as soon as possible after the
 112.3 incident concludes, the following information:

112.4 (i) a description of the incident that led to the physical holding or seclusion;

112.5 (ii) why a less restrictive measure failed or was determined by staff to be
 112.6 inappropriate or impractical;

112.7 (iii) the time the physical holding or seclusion began and the time the child was
 112.8 released; and

112.9 (iv) a brief record of the child's behavioral and physical status;

112.10 (6) the room used for seclusion must:

112.11 (i) be at least six feet by five feet;

112.12 (ii) be well lit, well ventilated, adequately heated, and clean;

112.13 (iii) have a window that allows staff to directly observe a child in seclusion;

112.14 (iv) have tamperproof fixtures, electrical switches located immediately outside the
 112.15 door, and secure ceilings;

112.16 (v) have doors that open out and are unlocked, locked with keyless locks that
 112.17 have immediate release mechanisms, or locked with locks that have immediate release
 112.18 mechanisms connected with a fire and emergency system; and

112.19 (vi) not contain objects that a child may use to injure the child or others; and

112.20 (7) before using a room for seclusion, a school must:

112.21 (i) receive written notice from local authorities that the room and the locking
 112.22 mechanisms comply with applicable building, fire, and safety codes; and

112.23 (ii) register the room with the commissioner, who may view that room; and

112.24 ~~(8) until August 1, 2015, a school district may use prone restraints with children
 112.25 age five or older if:~~

112.26 ~~(i) the district has provided to the department a list of staff who have had specific
 112.27 training on the use of prone restraints;~~

112.28 ~~(ii) the district provides information on the type of training that was provided and
 112.29 by whom;~~

112.30 ~~(iii) only staff who received specific training use prone restraints;~~

112.31 ~~(iv) each incident of the use of prone restraints is reported to the department within
 112.32 five working days on a form provided by the department; and~~

112.33 ~~(v) the district, before using prone restraints, must review any known medical or
 112.34 psychological limitations that contraindicate the use of prone restraints.~~

112.35 ~~The department must collect data on districts' use of prone restraints and publish the
 112.36 data in a readily accessible format on the department's Web site on a quarterly basis.~~

113.1 (b) By February 1, 2015, and annually thereafter, stakeholders may, as necessary,
 113.2 recommend to the commissioner specific and measurable implementation and outcome
 113.3 goals for reducing the use of restrictive procedures and the commissioner must submit to
 113.4 the legislature a report on districts' progress in reducing the use of restrictive procedures
 113.5 that recommends how to further reduce these procedures and eliminate the use of
 113.6 ~~prone-restraints~~ seclusion. The statewide plan includes the following components:
 113.7 measurable goals; the resources, training, technical assistance, mental health services,
 113.8 and collaborative efforts needed to significantly reduce districts' use of ~~prone-restraints~~
 113.9 seclusion; and recommendations to clarify and improve the law governing districts' use
 113.10 of restrictive procedures. The commissioner must consult with interested stakeholders
 113.11 when preparing the report, including representatives of advocacy organizations, special
 113.12 education directors, teachers, paraprofessionals, intermediate school districts, school
 113.13 boards, day treatment providers, county social services, state human services department
 113.14 staff, mental health professionals, and autism experts. ~~By June 30~~ Beginning with the
 113.15 2016-2017 school year, in a form and manner determined by the commissioner, districts
 113.16 must report data quarterly to the department by January 15, April 15, July 15, and October
 113.17 15 about individual students who have been secluded. By July 15 each year, districts
 113.18 must report summary data on their use of restrictive procedures to the department for
 113.19 the prior school year, July 1 through June 30, in a form and manner determined by the
 113.20 commissioner. The summary data must include information about the use of restrictive
 113.21 procedures, including use of reasonable force under section 121A.582.

113.22 **EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and
 113.23 later.

113.24 Sec. 8. Minnesota Statutes 2014, section 125A.0942, subdivision 4, is amended to read:

113.25 Subd. 4. **Prohibitions.** The following actions or procedures are prohibited:

113.26 (1) engaging in conduct prohibited under section 121A.58;

113.27 (2) requiring a child to assume and maintain a specified physical position, activity,
 113.28 or posture that induces physical pain;

113.29 (3) totally or partially restricting a child's senses as punishment;

113.30 (4) presenting an intense sound, light, or other sensory stimuli using smell, taste,
 113.31 substance, or spray as punishment;

113.32 (5) denying or restricting a child's access to equipment and devices such as walkers,
 113.33 wheelchairs, hearing aids, and communication boards that facilitate the child's functioning,
 113.34 except when temporarily removing the equipment or device is needed to prevent injury

114.1 to the child or others or serious damage to the equipment or device, in which case the
 114.2 equipment or device shall be returned to the child as soon as possible;

114.3 (6) interacting with a child in a manner that constitutes sexual abuse, neglect, or
 114.4 physical abuse under section 626.556;

114.5 (7) withholding regularly scheduled meals or water;

114.6 (8) denying access to bathroom facilities; ~~and~~

114.7 (9) physical holding that restricts or impairs a child's ability to breathe, restricts or
 114.8 impairs a child's ability to communicate distress, places pressure or weight on a child's
 114.9 head, throat, neck, chest, lungs, sternum, diaphragm, back, or abdomen, or results in
 114.10 straddling a child's torso; and

114.11 (10) prone restraint.

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

114.13 Sec. 9. Minnesota Statutes 2015 Supplement, section 125A.11, subdivision 1, is
 114.14 amended to read:

114.15 Subdivision 1. **Nonresident tuition rate; other costs.** (a) For fiscal year 2015 and
 114.16 later, when a school district provides special instruction and services for a pupil with
 114.17 a disability as defined in section 125A.02 outside the district of residence, excluding
 114.18 a pupil for whom an adjustment to special education aid is calculated according to
 114.19 section 127A.47, subdivision 7, paragraphs (b) to (d), special education aid paid to the
 114.20 resident district must be reduced by an amount equal to (1) the actual cost of providing
 114.21 special instruction and services to the pupil, including a proportionate amount for special
 114.22 transportation ~~and unreimbursed building lease and debt service costs for facilities~~
 114.23 ~~used primarily for special education~~, plus (2) the amount of general education revenue,
 114.24 excluding local optional revenue, plus local optional aid and referendum equalization aid
 114.25 attributable to that pupil, calculated using the resident district's average general education
 114.26 revenue and referendum equalization aid per adjusted pupil unit excluding basic skills
 114.27 revenue, elementary sparsity revenue and secondary sparsity revenue, minus (3) the
 114.28 amount of special education aid for children with a disability under section 125A.76
 114.29 received on behalf of that child, minus (4) if the pupil receives special instruction and
 114.30 services outside the regular classroom for more than 60 percent of the school day, the
 114.31 amount of general education revenue and referendum equalization aid, excluding portions
 114.32 attributable to district and school administration, district support services, operations and
 114.33 maintenance, capital expenditures, and pupil transportation, attributable to that pupil
 114.34 for the portion of time the pupil receives special instruction and services outside of the
 114.35 regular classroom, calculated using the resident district's average general education

115.1 revenue and referendum equalization aid per adjusted pupil unit excluding basic skills
115.2 revenue, elementary sparsity revenue and secondary sparsity revenue and the serving
115.3 district's basic skills revenue, elementary sparsity revenue and secondary sparsity revenue
115.4 per adjusted pupil unit. Notwithstanding clauses (1) and (4), for pupils served by a
115.5 cooperative unit without a fiscal agent school district, the general education revenue and
115.6 referendum equalization aid attributable to a pupil must be calculated using the resident
115.7 district's average general education revenue and referendum equalization aid excluding
115.8 compensatory revenue, elementary sparsity revenue, and secondary sparsity revenue.
115.9 Special education aid paid to the district or cooperative providing special instruction and
115.10 services for the pupil must be increased by the amount of the reduction in the aid paid
115.11 to the resident district. ~~Amounts paid to cooperatives under this subdivision and section~~
115.12 ~~127A.47, subdivision 7, shall be recognized and reported as revenues and expenditures on~~
115.13 ~~the resident school district's books of account under sections 123B.75 and 123B.76.~~ If
115.14 the resident district's special education aid is insufficient to make the full adjustment, the
115.15 remaining adjustment shall be made to other state aid due to the district.

115.16 (b) Notwithstanding paragraph (a), when a charter school receiving special education
115.17 aid under section 124E.21, subdivision 3, provides special instruction and services for
115.18 a pupil with a disability as defined in section 125A.02, excluding a pupil for whom an
115.19 adjustment to special education aid is calculated according to section 127A.46, subdivision
115.20 7, paragraphs (b) to (e), special education aid paid to the resident district must be reduced
115.21 by an amount equal to that calculated under paragraph (a) as if the charter school received
115.22 aid under section 124E.21, subdivision 1. Notwithstanding paragraph (a), special education
115.23 aid paid to the charter school providing special instruction and services for the pupil must
115.24 not be increased by the amount of the reduction in the aid paid to the resident district.

115.25 (c) Notwithstanding paragraph (a) and section 127A.47, subdivision 7, paragraphs
115.26 (b) to (d);

115.27 (1) an intermediate district or a special education cooperative may recover
115.28 unreimbursed costs of serving pupils with a disability, including building lease, debt
115.29 service, and indirect costs necessary for the general operation of the organization, by
115.30 billing membership fees and nonmember access fees to the resident district;

115.31 (2) a charter school where more than 30 percent of enrolled students receive special
115.32 education and related services, a site approved under section 125A.515, an intermediate
115.33 district, ~~or a special education cooperative, or a school district that served as the applicant~~
115.34 agency for a group of school districts for federal special education aids for fiscal year 2006
115.35 may apply to the commissioner for authority to charge the resident district an additional
115.36 amount to recover any remaining unreimbursed costs of serving pupils with a disability;

116.1 (3) the billing under clause (1) or application under clause (2) must include a
116.2 description of the costs and the calculations used to determine the unreimbursed portion to
116.3 be charged to the resident district. Amounts approved by the commissioner under ~~this~~
116.4 ~~paragraph~~ clause (2) must be included in the ~~tuition billings or~~ aid adjustments under
116.5 paragraph (a), or section 127A.47, subdivision 7, paragraphs (b) to (d), as applicable.

116.6 (d) For purposes of this subdivision and section 127A.47, subdivision 7, paragraph
116.7 (b), "general education revenue and referendum equalization aid" means the sum of the
116.8 general education revenue according to section 126C.10, subdivision 1, excluding the
116.9 local optional levy according to section 126C.10, subdivision 2e, paragraph (c), plus the
116.10 referendum equalization aid according to section 126C.17, subdivision 7.

116.11 Sec. 10. Minnesota Statutes 2015 Supplement, section 125A.21, subdivision 3, is
116.12 amended to read:

116.13 Subd. 3. **Use of reimbursements.** ~~Of the reimbursements received, districts may~~
116.14 School districts must reserve third-party revenue and must spend the reimbursements
116.15 received only to:

116.16 (1) retain an amount sufficient to compensate the district for its administrative costs
116.17 of obtaining reimbursements;

116.18 (2) regularly obtain from education- and health-related entities training and other
116.19 appropriate technical assistance designed to improve the district's ability to access
116.20 third-party payments for individualized education program or individualized family
116.21 service plan health-related services; or

116.22 (3) reallocate reimbursements for the benefit of students with individualized
116.23 education programs or individualized family service plans in the district.

116.24 Sec. 11. Minnesota Statutes 2015 Supplement, section 125A.63, subdivision 4, is
116.25 amended to read:

116.26 Subd. 4. **Advisory committees.** (a) The commissioner shall establish advisory
116.27 committees for the deaf and hard-of-hearing and for the blind and visually impaired. The
116.28 advisory committees shall develop recommendations and submit an annual report to the
116.29 commissioner on the form and in the manner prescribed by the commissioner.

116.30 (b) The advisory committees for the deaf and hard of hearing and for the blind and
116.31 visually impaired shall meet periodically at least four times per year ~~and~~. The committees
116.32 must each review, approve, and submit an annual a biennial report to the commissioner,
116.33 the education policy and finance committees of the legislature, and the Commission of
116.34 Deaf, DeafBlind, and Hard-of-Hearing Minnesotans. The reports must, at least:

117.1 (1) identify and report the aggregate, data-based education outcomes for children
117.2 with the primary disability classification of deaf and hard of hearing or of blind and
117.3 visually impaired, consistent with the commissioner's child count reporting practices, the
117.4 commissioner's state and local outcome data reporting system by district and region, and
117.5 the school performance report cards under section 120B.36, subdivision 1; and

117.6 (2) describe the implementation of a data-based plan for improving the education
117.7 outcomes of deaf and hard of hearing or blind and visually impaired children that is
117.8 premised on evidence-based best practices, and provide a cost estimate for ongoing
117.9 implementation of the plan.

117.10 Sec. 12. Minnesota Statutes 2015 Supplement, section 125A.76, subdivision 2c,
117.11 is amended to read:

117.12 Subd. 2c. **Special education aid.** (a) For fiscal year 2014 and fiscal year 2015, a
117.13 district's special education aid equals the sum of the district's special education aid under
117.14 subdivision 5, the district's cross subsidy reduction aid under subdivision 2b, and the
117.15 district's excess cost aid under section 125A.79, subdivision 7.

117.16 (b) For fiscal year 2016 and later, a district's special education aid equals the sum of
117.17 the district's special education initial aid under subdivision 2a and the district's excess cost
117.18 aid under section 125A.79, subdivision 5.

117.19 (c) Notwithstanding paragraph (b), for fiscal year 2016, the special education aid for
117.20 a school district must not exceed the sum of the special education aid the district would
117.21 have received for fiscal year 2016 under Minnesota Statutes 2012, sections 125A.76
117.22 and 125A.79, as adjusted according to Minnesota Statutes 2012, sections 125A.11 and
117.23 127A.47, subdivision 7, and the product of the district's average daily membership served
117.24 and the special education aid increase limit.

117.25 (d) Notwithstanding paragraph (b), for fiscal year 2017 and later, the special education
117.26 aid for a school district must not exceed the sum of: (i) the product of the district's average
117.27 daily membership served and the special education aid increase limit and (ii) the product
117.28 of the sum of the special education aid the district would have received for fiscal year 2016
117.29 under Minnesota Statutes 2012, sections 125A.76 and 125A.79, as adjusted according
117.30 to Minnesota Statutes 2012, sections 125A.11 and 127A.47, subdivision 7, the ratio of
117.31 the district's average daily membership served for the current fiscal year to the district's
117.32 average daily membership served for fiscal year 2016, and the program growth factor.

117.33 (e) Notwithstanding paragraph (b), for fiscal year 2016 and later the special
117.34 education aid for a school district, not including a charter school or cooperative unit as
117.35 defined in section 123A.24, must not be less than the lesser of (1) the district's nonfederal

118.1 special education expenditures for that fiscal year or (2) the product of the sum of the
118.2 special education aid the district would have received for fiscal year 2016 under Minnesota
118.3 Statutes 2012, sections 125A.76 and 125A.79, as adjusted according to Minnesota Statutes
118.4 2012, sections 125A.11 and 127A.47, subdivision 7, the ratio of the district's adjusted
118.5 daily membership for the current fiscal year to the district's average daily membership for
118.6 fiscal year 2016, and the program growth factor.

118.7 (f) Notwithstanding subdivision 2a and section 125A.79, a charter school in its first
118.8 year of operation shall generate special education aid based on current year data. A newly
118.9 formed cooperative unit as defined in section 123A.24 may apply to the commissioner
118.10 for approval to generate special education aid for its first year of operation based on
118.11 current year data, with an offsetting adjustment to the prior year data used to calculate aid
118.12 for programs at participating school districts or previous cooperatives that were replaced
118.13 by the new cooperative.

118.14 (g) The department shall establish procedures through the uniform financial
118.15 accounting and reporting system to identify and track all revenues generated from
118.16 third-party billings as special education revenue at the school district level; include revenue
118.17 generated from third-party billings as special education revenue in the annual cross-subsidy
118.18 report; and exclude third-party revenue from calculation of excess cost aid to the districts.

118.19 Sec. 13. Minnesota Statutes 2015 Supplement, section 125A.79, subdivision 1, is
118.20 amended to read:

118.21 Subdivision 1. **Definitions.** For the purposes of this section, the definitions in this
118.22 subdivision apply.

118.23 (a) "Unreimbursed old formula special education expenditures" means:

118.24 (1) old formula special education expenditures for the prior fiscal year; minus

118.25 (2) for fiscal years 2014 and 2015, the sum of the special education aid under section
118.26 125A.76, subdivision 5, for the prior fiscal year and the cross subsidy reduction aid under
118.27 section 125A.76, subdivision 2b, and for fiscal year 2016 and later, the special education
118.28 initial aid under section 125A.76, subdivision 2a; minus

118.29 (3) for fiscal year 2016 and later, the amount of general education revenue, excluding
118.30 local optional revenue, plus local optional aid and referendum equalization aid for the
118.31 prior fiscal year attributable to pupils receiving special instruction and services outside the
118.32 regular classroom for more than 60 percent of the school day for the portion of time the
118.33 pupils receive special instruction and services outside the regular classroom, excluding
118.34 portions attributable to district and school administration, district support services,
118.35 operations and maintenance, capital expenditures, and pupil transportation.

119.1 (b) "Unreimbursed nonfederal special education expenditures" means:
119.2 (1) nonfederal special education expenditures for the prior fiscal year; minus
119.3 (2) special education initial aid under section 125A.76, subdivision 2a; minus
119.4 (3) the amount of general education revenue, excluding local optional revenue, plus
119.5 local optional aid, and referendum equalization aid for the prior fiscal year attributable
119.6 to pupils receiving special instruction and services outside the regular classroom for
119.7 more than 60 percent of the school day for the portion of time the pupils receive special
119.8 instruction and services outside of the regular classroom, excluding portions attributable to
119.9 district and school administration, district support services, operations and maintenance,
119.10 capital expenditures, and pupil transportation.

119.11 (c) "General revenue" for a school district means the sum of the general education
119.12 revenue according to section 126C.10, subdivision 1, excluding transportation sparsity
119.13 revenue, local optional revenue, and total operating capital revenue. "General revenue"
119.14 for a charter school means the sum of the general education revenue according to section
119.15 124E.20, subdivision 1, and transportation revenue according to section 124E.23,
119.16 excluding referendum equalization aid, transportation sparsity revenue, and operating
119.17 capital revenue.

119.18 Sec. 14. Minnesota Statutes 2015 Supplement, section 127A.47, subdivision 7, is
119.19 amended to read:

119.20 Subd. 7. **Alternative attendance programs.** (a) The general education aid and
119.21 special education aid for districts must be adjusted for each pupil attending a nonresident
119.22 district under sections 123A.05 to 123A.08, 124D.03, 124D.08, and 124D.68. The
119.23 adjustments must be made according to this subdivision.

119.24 (b) For purposes of this subdivision, the "unreimbursed cost of providing special
119.25 education and services" means the difference between: (1) the actual cost of providing
119.26 special instruction and services, including special transportation and unreimbursed
119.27 building lease and debt service costs for facilities used primarily for special education, for
119.28 a pupil with a disability, as defined in section 125A.02, or a pupil, as defined in section
119.29 125A.51, who is enrolled in a program listed in this subdivision, minus (2) if the pupil
119.30 receives special instruction and services outside the regular classroom for more than
119.31 60 percent of the school day, the amount of general education revenue, excluding local
119.32 optional revenue, plus local optional aid and referendum equalization aid as defined in
119.33 section 125A.11, subdivision 1, paragraph (d), attributable to that pupil for the portion of
119.34 time the pupil receives special instruction and services outside of the regular classroom,
119.35 excluding portions attributable to district and school administration, district support

120.1 services, operations and maintenance, capital expenditures, and pupil transportation,
120.2 minus (3) special education aid under section 125A.76 attributable to that pupil, that is
120.3 received by the district providing special instruction and services. For purposes of this
120.4 paragraph, general education revenue and referendum equalization aid attributable to a
120.5 pupil must be calculated using the serving district's average general education revenue
120.6 and referendum equalization aid per adjusted pupil unit.

120.7 (c) For fiscal year 2015 and later, special education aid paid to a resident district
120.8 must be reduced by an amount equal to 90 percent of the unreimbursed cost of providing
120.9 special education and services.

120.10 (d) Notwithstanding paragraph (c), special education aid paid to a resident district
120.11 must be reduced by an amount equal to 100 percent of the unreimbursed cost of special
120.12 education and services provided to students at an intermediate district, cooperative, or
120.13 charter school where the percent of students eligible for special education services is at
120.14 least 70 percent of the charter school's total enrollment.

120.15 (e) Notwithstanding paragraph (c), special education aid paid to a resident district
120.16 must be reduced under paragraph (d) for students at a charter school receiving special
120.17 education aid under section 124E.21, subdivision 3, calculated as if the charter school
120.18 received special education aid under section 124E.21, subdivision 1.

120.19 (f) Special education aid paid to the district or cooperative providing special
120.20 instruction and services for the pupil, or to the fiscal agent district for a cooperative, must
120.21 be increased by the amount of the reduction in the aid paid to the resident district under
120.22 paragraphs (c) and (d). If the resident district's special education aid is insufficient to make
120.23 the full adjustment under paragraphs (c), (d), and (e), the remaining adjustment shall be
120.24 made to other state aids due to the district.

120.25 (g) Notwithstanding paragraph (a), general education aid paid to the resident district
120.26 of a nonspecial education student for whom an eligible special education charter school
120.27 receives general education aid under section 124E.20, subdivision 1, paragraph (c), must
120.28 be reduced by an amount equal to the difference between the general education aid
120.29 attributable to the student under section 124E.20, subdivision 1, paragraph (c), and the
120.30 general education aid that the student would have generated for the charter school under
120.31 section 124E.20, subdivision 1, paragraph (a). For purposes of this paragraph, "nonspecial
120.32 education student" means a student who does not meet the definition of pupil with a
120.33 disability as defined in section 125A.02 or the definition of a pupil in section 125A.51.

120.34 (h) An area learning center operated by a service cooperative, intermediate district,
120.35 education district, or a joint powers cooperative may elect through the action of the
120.36 constituent boards to charge the resident district tuition for pupils rather than to have the

121.1 general education revenue paid to a fiscal agent school district. Except as provided in
 121.2 paragraph (f), the district of residence must pay tuition equal to at least 90 and no more
 121.3 than 100 percent of the district average general education revenue per pupil unit minus
 121.4 an amount equal to the product of the formula allowance according to section 126C.10,
 121.5 subdivision 2, times .0466, calculated without compensatory revenue, local optional
 121.6 revenue, and transportation sparsity revenue, times the number of pupil units for pupils
 121.7 attending the area learning center.

121.8 Sec. 15. Laws 2015, First Special Session chapter 3, article 5, section 30, subdivision
 121.9 2, is amended to read:

121.10 Subd. 2. **Special education; regular.** For special education aid under Minnesota
 121.11 Statutes, section 125A.75:

121.12		1,170,929,000		
121.13	\$	<u>1,183,619,000</u>	.....	2016
121.14		1,229,706,000		
121.15	\$	<u>1,246,997,000</u>	.....	2017

121.16 The 2016 appropriation includes \$137,932,000 for 2015 and ~~\$1,032,997,000~~
 121.17 \$1,045,687,000 for 2016.

121.18 The 2017 appropriation includes ~~\$145,355,000~~ \$147,202,000 for 2016 and
 121.19 ~~\$1,084,351,000~~ \$1,099,795,000 for 2017.

121.20 Sec. 16. **REDUCING STATE-GENERATED SPECIAL EDUCATION**
 121.21 **PAPERWORK.**

121.22 Notwithstanding other law to the contrary in fiscal years 2017 and 2018, the
 121.23 commissioner of education must use existing budgetary resources to identify and remove
 121.24 25 percent of the paperwork burden on Minnesota special education teachers that results
 121.25 from state but not federally mandated special education compliance reporting requirements.

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

121.27 Sec. 17. **APPROPRIATION CANCELED.**

121.28 \$1,686,000 on June 30, 2016, is transferred from the information and
 121.29 telecommunications technology systems and services account under Minnesota Statutes,
 121.30 section 16E.21, to the general fund. This represents the amount the Department of
 121.31 Education transferred to that account in fiscal year 2015 after determining that the special
 121.32 education paperwork reduction activities authorized in an appropriation under Laws 2013,

122.1 chapter 116, article 5, section 31, subdivision 8, were not feasible based on a onetime
122.2 appropriation.

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

122.4 **ARTICLE 11**

122.5 **FACILITIES AND TECHNOLOGY**

122.6 Section 1. Minnesota Statutes 2015 Supplement, section 123B.53, subdivision 1, is
122.7 amended to read:

122.8 Subdivision 1. **Definitions.** (a) For purposes of this section, the eligible debt service
122.9 revenue of a district is defined as follows:

122.10 (1) the amount needed to produce between five and six percent in excess of the
122.11 amount needed to meet when due the principal and interest payments on the obligations
122.12 of the district for eligible projects according to subdivision 2, including the amounts
122.13 necessary for repayment of ~~energy loans according to section 216C.37 or sections 298.292~~
122.14 ~~to 298.298~~, debt service loans, capital loans, and lease purchase payments under section
122.15 126C.40, subdivision 2, excluding long-term facilities maintenance levies under section
122.16 123B.595, minus

122.17 (2) the amount of debt service excess levy reduction for that school year calculated
122.18 according to the procedure established by the commissioner.

122.19 (b) The obligations in this paragraph are excluded from eligible debt service revenue:

122.20 (1) obligations under section 123B.61;

122.21 (2) the part of debt service principal and interest paid from the taconite environmental
122.22 protection fund or Douglas J. Johnson economic protection trust, excluding the portion of
122.23 taconite payments from the Iron Range school consolidation and cooperatively operated
122.24 school account under section 298.28, subdivision 7a;

122.25 (3) obligations issued under Laws 1991, chapter 265, article 5, section 18, as
122.26 amended by Laws 1992, chapter 499, article 5, section 24;

122.27 (4) obligations under section 123B.62; and

122.28 (5) obligations equalized under section 123B.535.

122.29 (c) For purposes of this section, if a preexisting school district reorganized under
122.30 sections 123A.35 to 123A.43, 123A.46, and 123A.48 is solely responsible for retirement
122.31 of the preexisting district's bonded indebtedness, capital loans or debt service loans, debt
122.32 service equalization aid must be computed separately for each of the preexisting districts.

123.1 (d) For purposes of this section, the adjusted net tax capacity determined according
123.2 to sections 127A.48 and 273.1325 shall be adjusted to include the tax capacity of property
123.3 generally exempted from ad valorem taxes under section 272.02, subdivision 64.

123.4 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
123.5 later.

123.6 Sec. 2. Minnesota Statutes 2014, section 123B.571, subdivision 2, is amended to read:

123.7 Subd. 2. **Radon testing.** A school district may include radon testing as a part of
123.8 its ~~health and safety~~ ten-year facility plan under section 123B.595, subdivision 4. If a
123.9 school district receives authority to use ~~health and safety~~ long-term facilities maintenance
123.10 revenue to conduct radon testing, the district shall conduct the testing according to the
123.11 radon testing plan developed by the commissioners of health and education.

123.12 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
123.13 later.

123.14 Sec. 3. Minnesota Statutes 2015 Supplement, section 123B.595, subdivision 4, is
123.15 amended to read:

123.16 Subd. 4. **Facilities plans.** (a) To qualify for revenue under this section, a school
123.17 district or intermediate district, not including a charter school, must have a ten-year facility
123.18 plan adopted by the school board and approved by the commissioner. The plan must include
123.19 provisions for implementing a health and safety program that complies with health, safety,
123.20 and environmental regulations and best practices, including indoor air quality management.

123.21 (b) The district must annually update the plan, ~~biennially~~ submit a ~~facility~~
123.22 ~~maintenance~~ the plan to the commissioner for approval by July 31, and indicate whether
123.23 the district will issue bonds to finance the plan or levy for the costs.

123.24 (c) For school districts issuing bonds to finance the plan, the plan must include a
123.25 debt service schedule demonstrating that the debt service revenue required to pay the
123.26 principal and interest on the bonds each year will not exceed the projected long-term
123.27 facilities revenue for that year.

123.28 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
123.29 later.

123.30 Sec. 4. Minnesota Statutes 2015 Supplement, section 123B.595, subdivision 7, is
123.31 amended to read:

124.1 Subd. 7. **Long-term facilities maintenance equalization revenue.** (a) For fiscal
124.2 year 2017 only, a district's long-term facilities maintenance equalization revenue equals
124.3 the lesser of (1) \$193 times the adjusted pupil units or (2) the district's revenue under
124.4 subdivision 1.

124.5 (b) For fiscal year 2018 only, a district's long-term facilities maintenance
124.6 equalization revenue equals the lesser of (1) \$292 times the adjusted pupil units or (2)
124.7 the district's revenue under subdivision 1.

124.8 (c) For fiscal year 2019 and later, a district's long-term facilities maintenance
124.9 equalization revenue equals the lesser of (1) \$380 times the adjusted pupil units or (2)
124.10 the district's revenue under subdivision 1.

124.11 (d) Notwithstanding paragraphs (a) to (c), a district's long-term facilities maintenance
124.12 equalization revenue must not be less than the lesser of the district's long-term facilities
124.13 maintenance revenue or the amount of aid the district received for fiscal year 2015 under
124.14 section 123B.59, subdivision 6.

124.15 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
124.16 later.

124.17 Sec. 5. Minnesota Statutes 2015 Supplement, section 123B.595, subdivision 8, is
124.18 amended to read:

124.19 Subd. 8. **Long-term facilities maintenance equalized levy.** (a) For fiscal year 2017
124.20 and later, a district's long-term facilities maintenance equalized levy equals the district's
124.21 long-term facilities maintenance equalization revenue minus the greater of:

124.22 (1) the lesser of the district's long-term facilities maintenance equalization revenue
124.23 or the amount of aid the district received for fiscal year 2015 under Minnesota Statutes
124.24 2014, section 123B.59, subdivision 6; or

124.25 (2) the district's long-term facilities maintenance equalization revenue times the
124.26 greater of (i) zero or (ii) one minus the ratio of its adjusted net tax capacity per adjusted
124.27 pupil unit in the year preceding the year the levy is certified to 123 percent of the state
124.28 average adjusted net tax capacity per adjusted pupil unit for all school districts in the
124.29 year preceding the year the levy is certified.

124.30 (b) For purposes of this subdivision, "adjusted net tax capacity" means the value
124.31 described in section 126C.01, subdivision 2, paragraph (b).

124.32 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
124.33 later.

125.1 Sec. 6. Minnesota Statutes 2015 Supplement, section 123B.595, is amended by adding
125.2 a subdivision to read:

125.3 Subd. 8a. **Long-term facilities maintenance unequalized levy.** For fiscal year
125.4 2017 and later, a district's long-term facilities maintenance unequalized levy equals the
125.5 difference between the district's revenue under subdivision 1 and the district's equalization
125.6 revenue under subdivision 7.

125.7 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
125.8 later.

125.9 Sec. 7. Minnesota Statutes 2015 Supplement, section 123B.595, subdivision 9, is
125.10 amended to read:

125.11 Subd. 9. **Long-term facilities maintenance equalized aid.** For fiscal year 2017
125.12 and later, a district's long-term facilities maintenance equalized aid equals its long-term
125.13 facilities maintenance equalization revenue minus its long-term facilities maintenance
125.14 equalized levy times the ratio of the actual equalized amount levied to the permitted
125.15 equalized levy.

125.16 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
125.17 later.

125.18 Sec. 8. Minnesota Statutes 2015 Supplement, section 123B.595, subdivision 10,
125.19 is amended to read:

125.20 Subd. 10. **Allowed uses for long-term facilities maintenance revenue.** (a) A
125.21 district may use revenue under this section for any of the following:

125.22 (1) deferred capital expenditures and maintenance projects necessary to prevent
125.23 further erosion of facilities;

125.24 (2) increasing accessibility of school facilities; ~~or~~

125.25 (3) health and safety capital projects under section 123B.57; or

125.26 (4) by board resolution, to transfer money from the general fund reserve for long-term
125.27 facilities maintenance to the debt redemption fund to pay the amounts needed to meet,
125.28 when due, principal and interest on general obligation bonds issued under subdivision 5.

125.29 (b) A charter school may use revenue under this section for any purpose related
125.30 to the school.

125.31 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
125.32 later.

126.1 Sec. 9. Minnesota Statutes 2015 Supplement, section 123B.595, subdivision 11,
126.2 is amended to read:

126.3 Subd. 11. **Restrictions on long-term facilities maintenance revenue.**

126.4 Notwithstanding subdivision ~~11~~ 10, long-term facilities maintenance revenue may not
126.5 be used:

126.6 (1) for the construction of new facilities, remodeling of existing facilities, or the
126.7 purchase of portable classrooms;

126.8 (2) to finance a lease purchase agreement, installment purchase agreement, or other
126.9 deferred payments agreement;

126.10 (3) for energy-efficiency projects under section 123B.65, for a building or property
126.11 or part of a building or property used for postsecondary instruction or administration, or
126.12 for a purpose unrelated to elementary and secondary education; or

126.13 (4) for violence prevention and facility security, ergonomics, or emergency
126.14 communication devices.

126.15 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
126.16 later.

126.17 Sec. 10. Minnesota Statutes 2014, section 123B.60, subdivision 1, is amended to read:

126.18 Subdivision 1. **Bonds.** When a building owned by a district is substantially damaged
126.19 by an act of God or other means beyond the control of the district, the district may issue
126.20 general obligation bonds without an election to provide money immediately to carry
126.21 out its adopted ~~health and safety~~ long-term facilities maintenance program. Each year
126.22 the district must pledge an attributable share of its ~~health and safety~~ long-term facilities
126.23 maintenance revenue to the repayment of principal and interest on the bonds. The pledged
126.24 revenue must be ~~transferred to~~ recognized in the debt redemption fund of the district. The
126.25 district must submit to the department the repayment schedule for any bonds issued under
126.26 this section. The district must deposit in the debt redemption fund all proceeds received
126.27 for specific costs for which the bonds were issued, including but not limited to:

126.28 (1) insurance proceeds;

126.29 (2) restitution proceeds; and

126.30 (3) proceeds of litigation or settlement of a lawsuit.

126.31 Before bonds are issued, the district must submit ~~a combined~~ an amended
126.32 application to the commissioner for ~~health and safety~~ long-term facilities maintenance
126.33 revenue, according to section ~~123B.57~~, and requesting review and comment, according
126.34 to section ~~123B.71~~, subdivisions ~~8, 9, 11, and 12~~ 123B.595. The commissioner shall
126.35 complete all procedures concerning the combined application within 20 days of receiving

127.1 the application. The publication provisions of section 123B.71, subdivision 12, do not
127.2 apply to bonds issued under this section.

127.3 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
127.4 later.

127.5 Sec. 11. Minnesota Statutes 2014, section 123B.71, subdivision 8, is amended to read:

127.6 Subd. 8. **Review and comment.** A school district, a special education cooperative,
127.7 or a cooperative unit of government, as defined in section 123A.24, subdivision 2,
127.8 must not initiate an installment contract for purchase or a lease agreement, hold a
127.9 referendum for bonds, nor solicit bids for new construction, expansion, or remodeling of
127.10 an educational facility that requires an expenditure in excess of \$500,000 per school site if
127.11 it has a capital loan outstanding, or \$2,000,000 per school site if it does not have a capital
127.12 loan outstanding, prior to review and comment by the commissioner. A facility addition,
127.13 maintenance project, or remodeling project funded only with general education revenue,
127.14 ~~deferred maintenance revenue, alternative facilities bonding and levy program revenue,~~
127.15 ~~lease levy proceeds, capital facilities bond proceeds, or health and safety long-term~~
127.16 facilities maintenance revenue is exempt from this provision. A capital project under
127.17 section 123B.63 addressing only technology is exempt from this provision if the district
127.18 submits a school board resolution stating that funds approved by the voters will be used
127.19 only as authorized in section 126C.10, subdivision 14. A school board shall not separate
127.20 portions of a single project into components to avoid the requirements of this subdivision.

127.21 **EFFECTIVE DATE.** This section is effective the day following final enactment
127.22 and applies to review and comments for projects funded with revenue for fiscal year
127.23 2017 and later.

127.24 Sec. 12. Minnesota Statutes 2014, section 123B.79, subdivision 5, is amended to read:

127.25 Subd. 5. **Deficits; exception.** For the purposes of this section, a permanent transfer
127.26 includes creating a deficit in a nonoperating fund for a period past the end of the current
127.27 fiscal year which is covered by moneys in an operating fund. ~~However,~~ A deficit in the
127.28 ~~capital expenditure fund~~ reserve for operating capital account pursuant to section 123B.78,
127.29 subdivision 5, does not constitute a permanent transfer.

127.30 Sec. 13. Minnesota Statutes 2014, section 123B.79, subdivision 8, is amended to read:

127.31 Subd. 8. **Account transfer for reorganizing districts.** A district that has
127.32 reorganized according to sections 123A.35 to 123A.43, 123A.46, or 123A.48, or has

128.1 conducted a successful referendum on the question of combination under section
 128.2 123A.37, subdivision 2, or consolidation under section 123A.48, subdivision 15, or has
 128.3 been assigned an identification number by the commissioner under section 123A.48,
 128.4 subdivision 16, may make permanent transfers between any of the funds or accounts in
 128.5 the newly created or enlarged district with the exception of the debt redemption fund,
 128.6 building construction fund, food service fund, and health and safety long-term facilities
 128.7 maintenance account of the ~~capital expenditure~~ general fund. Fund transfers under this
 128.8 section may be made for up to one year prior to the effective date of combination or
 128.9 consolidation by the consolidating boards and during the year following the effective date
 128.10 of reorganization by the consolidated board. The newly formed board of the combined
 128.11 district may adopt a resolution on or before August 30 of the year of the reorganization
 128.12 authorizing a transfer among accounts or funds of the previous independent school
 128.13 districts which transfer or transfers shall be reported in the affected districts' audited
 128.14 financial statements for the year immediately preceding the consolidation.

128.15 **EFFECTIVE DATE.** This section is effective July 1, 2016, for fiscal year 2017
 128.16 and later.

128.17 Sec. 14. Minnesota Statutes 2014, section 123B.79, subdivision 9, is amended to read:

128.18 Subd. 9. **Elimination of reserve accounts.** ~~A school board shall eliminate all~~
 128.19 ~~reserve accounts established in the school district's general fund under Minnesota Statutes~~
 128.20 ~~before July 1, 2006, for which no specific authority remains in statute as of June 30, 2007.~~
 128.21 Any balance in the district's reserved for bus purchases account for deferred maintenance
 128.22 as of June 30, 2007 2016, shall be transferred to the reserved account for ~~operating capital~~
 128.23 long-term facilities maintenance in the school district's general fund. ~~Any balance in~~
 128.24 ~~other reserved accounts established in the school district's general fund under Minnesota~~
 128.25 ~~Statutes before July 1, 2006, for which no specific authority remains in statute as of June~~
 128.26 ~~30, 2007, shall be transferred to the school district's unreserved general fund balance.~~
 128.27 ~~A school board may, upon adoption of a resolution by the school board, establish a~~
 128.28 ~~designated account for any program for which a reserved account has been eliminated.~~
 128.29 Any balance in the district's reserved account for health and safety as of June 30, 2019,
 128.30 shall be transferred to the unassigned fund balance account in the district's general fund.
 128.31 Any balance in the district's reserved account for alternative facilities as of June 30, 2016,
 128.32 shall be transferred to the reserved account for long-term facilities maintenance in the
 128.33 district's building construction fund.

129.1 **EFFECTIVE DATE.** This section is effective July 1, 2016, for fiscal year 2017
129.2 and later.

129.3 Sec. 15. Minnesota Statutes 2014, section 126C.40, subdivision 5, is amended to read:

129.4 Subd. 5. **Energy conservation.** ~~For loans approved before March 1, 1998, the~~
129.5 ~~district may annually include as revenue under section 123B.53, without the approval of a~~
129.6 ~~majority of the voters in the district, an amount sufficient to repay the annual principal and~~
129.7 ~~interest of the loan made pursuant to sections 216C.37 and 298.292 to 298.298.~~ For energy
129.8 loans approved after March 1, 1998, under sections 216C.37 and 298.292 to 298.298,
129.9 school districts must annually transfer from the general fund to the debt redemption fund
129.10 the amount sufficient to pay interest and principal on the loans.

129.11 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
129.12 later.

129.13 Sec. 16. Minnesota Statutes 2015 Supplement, section 126C.48, subdivision 8, is
129.14 amended to read:

129.15 Subd. 8. **Taconite payment and other reductions.** (1) Reductions in levies
129.16 pursuant to subdivision 1 must be made prior to the reductions in clause (2).

129.17 (2) Notwithstanding any other law to the contrary, districts that have revenue
129.18 pursuant to sections 298.018; 298.225; 298.24 to 298.28, except an amount distributed
129.19 under sections 298.26; 298.28, subdivision 4, paragraphs (c), clause (ii), and (d); 298.34 to
129.20 298.39; 298.391 to 298.396; 298.405; 477A.15; and any law imposing a tax upon severed
129.21 mineral values must reduce the levies authorized by this chapter and chapters 120B, 122A,
129.22 123A, 123B, 124A, 124D, 125A, and 127A, excluding the student achievement levy
129.23 under section 126C.13, subdivision 3b, by 95 percent of the sum of the previous year's
129.24 revenue specified under this clause and the amount attributable to the same production
129.25 year distributed to the cities and townships within the school district under section 298.28,
129.26 subdivision 2, paragraph (c).

129.27 (3) The amount of any voter approved referendum, facilities down payment, and
129.28 debt levies shall not be reduced by more than 50 percent under this subdivision, except
129.29 that payments under section 298.28, subdivision 7a, may reduce the debt service levy by
129.30 more than 50 percent. In administering this paragraph, the commissioner shall first reduce
129.31 the nonvoter approved levies of a district; then, if any payments, severed mineral value
129.32 tax revenue or recognized revenue under paragraph (2) remains, the commissioner shall
129.33 reduce any voter approved referendum levies authorized under section 126C.17; then, if
129.34 any payments, severed mineral value tax revenue or recognized revenue under paragraph

130.1 (2) remains, the commissioner shall reduce any voter approved facilities down payment
130.2 levies authorized under section 123B.63 and then, if any payments, severed mineral value
130.3 tax revenue or recognized revenue under paragraph (2) remains, the commissioner shall
130.4 reduce any voter approved debt levies.

130.5 (4) Before computing the reduction pursuant to this subdivision of the ~~health and~~
130.6 ~~safety long-term facilities maintenance~~ levy authorized by ~~sections 123B.57 and 126C.40,~~
130.7 ~~subdivision 5~~ section 123B.595, the commissioner shall ascertain from each affected
130.8 school district the amount it proposes to levy ~~under each section or subdivision~~. The
130.9 reduction shall be computed on the basis of the amount so ascertained.

130.10 (5) To the extent the levy reduction calculated under paragraph (2) exceeds the
130.11 limitation in paragraph (3), an amount equal to the excess must be distributed from the
130.12 school district's distribution under sections 298.225, 298.28, and 477A.15 in the following
130.13 year to the cities and townships within the school district in the proportion that their
130.14 taxable net tax capacity within the school district bears to the taxable net tax capacity of
130.15 the school district for property taxes payable in the year prior to distribution. No city or
130.16 township shall receive a distribution greater than its levy for taxes payable in the year prior
130.17 to distribution. The commissioner of revenue shall certify the distributions of cities and
130.18 towns under this paragraph to the county auditor by September 30 of the year preceding
130.19 distribution. The county auditor shall reduce the proposed and final levies of cities and
130.20 towns receiving distributions by the amount of their distribution. Distributions to the cities
130.21 and towns shall be made at the times provided under section 298.27.

130.22 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
130.23 later.

130.24 Sec. 17. Minnesota Statutes 2014, section 126C.63, subdivision 7, is amended to read:

130.25 Subd. 7. **Required debt service levy.** "Required debt service levy" means the total
130.26 dollar amount needed to be included in the taxes levied by the district in any year for
130.27 payment of interest and principal falling due on its debts prior to collection of the next
130.28 ensuing year's debt service levy, excluding the debt service levy for obligations under
130.29 sections 123B.595, 123B.61, and 123B.62.

130.30 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
130.31 later.

130.32 Sec. 18. Laws 2011, First Special Session chapter 11, article 4, section 8, is amended to
130.33 read:

131.1 Sec. 8. **EARLY REPAYMENT.**

131.2 (a) A school district that received a maximum effort capital loan prior to January
131.3 1, 1997, may repay the full outstanding original principal on its capital loan prior to
131.4 July 1, 2012, and the liability of the district on the loan is satisfied and discharged and
131.5 interest on the loan ceases.

131.6 (b) A school district with an outstanding capital loan balance that received a
131.7 maximum effort capital loan prior to January 1, 2007, may repay to the commissioner of
131.8 education by November 30, 2016, the full outstanding original principal on its capital
131.9 loan and the liability of the district on the loan is satisfied and discharged and interest
131.10 on the loan ceases.

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

131.12 Sec. 19. **INTERNET BROADBAND EXPANSION FOR STUDENTS;**
131.13 **INNOVATIVE GRANTS.**

131.14 Subdivision 1. **Broadband Wi-Fi hot spots.** (a) A school district is eligible for a
131.15 broadband hot spot grant not to exceed \$100,000 to support wireless off-campus learning
131.16 through a student's use of a data card, USB modem, or other mobile broadband device
131.17 that enables the student to access learning materials available on the Internet through a
131.18 mobile broadband connection. A district's application for a grant under this subdivision
131.19 must describe its approach for identifying and prioritizing access for low-income students
131.20 and others otherwise unable to access the Internet and may include a description of
131.21 local or private matching grants or in-kind contributions. When evaluating applications,
131.22 the commissioner may give priority to grant applications that include local in-kind
131.23 contributions.

131.24 (b) A school district may develop its application in cooperation with its community
131.25 education department, its adult basic education program provider, a public library, or other
131.26 community partner. A cooperative grant award under this paragraph may not exceed
131.27 \$200,000.

131.28 (c) A school district that qualifies for general education transportation sparsity
131.29 revenue under Minnesota Statutes, section 126C.10, may apply to the commissioner of
131.30 education for a school bus Internet access grant as a part of its grant application under
131.31 paragraph (a). The commissioner of education must prioritize grants to districts with the
131.32 longest bus routes. A school district that receives a grant under this subdivision may use
131.33 the grant to purchase or lease equipment designed to make Internet access available on
131.34 school buses, including routers and mobile Wi-Fi hot spots to connect to the Internet, and

132.1 may also purchase or lease one-to-one devices for students. The one-to-one devices may
 132.2 be connected to the Internet through the Wi-Fi hot spot or otherwise contain content
 132.3 for age-appropriate, self-directed learning.

132.4 Subd. 2. **Capacity-building grants.** A school district that is a member of
 132.5 a telecommunications access cluster may submit an application approved by its
 132.6 telecommunications access cluster to the commissioner of education for a broadband
 132.7 access grant. The grant application may include a description of local or private matching
 132.8 grants or in-kind contributions. When evaluating applications, the commissioner may give
 132.9 priority to grant applications that include local in-kind contributions. The maximum
 132.10 amount of each grant may not exceed \$100,000. The grant may be used in any manner and
 132.11 with any community partners that allow the school district to expand telecommunications
 132.12 access to its students, teachers, and community members.

132.13 Subd. 3. **Internet access for students.** Consistent with Minnesota Statutes, section
 132.14 125B.15, all grant applications submitted under this section must demonstrate to the
 132.15 commissioner's satisfaction that the Internet access provided through the grant proceeds
 132.16 will include filtering technology or other effective methods to limit student access to
 132.17 material that is reasonably believed to be obscene, child pornography, or material harmful
 132.18 to minors under federal or state law.

132.19 Sec. 20. **APPROPRIATIONS.**

132.20 Subdivision 1. **Department of Education.** The sums indicated in this section are
 132.21 appropriated from the general fund to the commissioner of education for the fiscal years
 132.22 designated.

132.23 Subd. 2. **Broadband expansion grants.** For broadband expansion grants:

132.24 \$ 7,000,000 2017

132.25 Of this amount, \$5,000,000 is for broadband Wi-Fi hot spots under section 19,
 132.26 subdivision 1, and \$2,000,000 is for capacity-building grants under section 19, subdivision
 132.27 2. This is a onetime appropriation. This appropriation is available until June 30, 2019.

132.28 Sec. 21. **REPEALER.**

132.29 Minnesota Statutes 2014, sections 123B.60, subdivision 2; and 123B.79,
 132.30 subdivisions 2 and 6, are repealed for fiscal year 2017 and later.

133.1 **ARTICLE 12**

133.2 **EARLY CHILDHOOD EDUCATION**

133.3 Section 1. **[124D.1295] EARLY LEARNING PROGRAM COORDINATION.**

133.4 **Subdivision 1. Early learning program coordination.** A school board, after
 133.5 receiving written comments from its early childhood advisory council or its community
 133.6 education council, may adopt a resolution allowing the district to offer an integrated early
 133.7 learning program. An integrated early learning program may provide for early childhood
 133.8 family education services, school readiness services, and other early learning programs
 133.9 providing services to parents and children. A school district's integrated early learning
 133.10 program must continue to contain components of parent education, opportunities for early
 133.11 learning activities for families with young children, and school readiness activities.

133.12 **Subd. 2. Early learning program revenue sources.** A school district's early
 133.13 learning program revenue includes its early childhood family education revenue under
 133.14 section 124D.135, school readiness program revenue under section 124D.16, and any
 133.15 other revenues set aside for early learning activities.

133.16 **Subd. 3. Reserve account.** A district that offers an integrated early learning
 133.17 program must place all of the revenue it receives under subdivision 2 in an early learning
 133.18 program reserve account established in the community service fund.

133.19 **EFFECTIVE DATE.** This section is effective for fiscal year 2017 and later.

133.20 Sec. 2. Minnesota Statutes 2014, section 124D.13, subdivision 1, is amended to read:

133.21 Subdivision 1. **Establishment; purpose.** A district that provides a community
 133.22 education program under sections 124D.18 and 124D.19 may establish an early childhood
 133.23 family education program as an individual program or as a part of an early learning
 133.24 program under section 124D.1295. Two or more districts, each of which provides a
 133.25 community education program, may cooperate to jointly provide an early childhood
 133.26 family education program. The purpose of the early childhood family education program
 133.27 is to provide parenting education to support children's learning and development.

133.28 **EFFECTIVE DATE.** This section is effective July 1, 2016.

133.29 Sec. 3. Minnesota Statutes 2014, section 124D.13, subdivision 5, is amended to read:

133.30 Subd. 5. **Separate accounts.** The A district operating an early childhood family
 133.31 education program independent of an early learning program under section 124D.1295

134.1 must maintain a separate account within the community education fund for money for
134.2 early childhood family education programs.

134.3 **EFFECTIVE DATE.** This section is effective for fiscal year 2017 and later.

134.4 Sec. 4. Minnesota Statutes 2014, section 124D.13, subdivision 9, is amended to read:

134.5 Subd. 9. **District advisory councils.** The board must appoint an advisory council
134.6 from the area in which the program is provided. A majority of the council must be parents
134.7 participating in the program, who represent the demographics of the community. The
134.8 district must ensure, to the extent possible, that the council includes representation of
134.9 families who are racially, culturally, linguistically, and economically diverse. The council
134.10 must assist the board in developing, planning, and monitoring the early childhood family
134.11 education program and the early learning program under section 124D.1295. The council
134.12 must report to the board and the community education advisory council.

134.13 **EFFECTIVE DATE.** This section is effective July 1, 2016.

134.14 Sec. 5. Minnesota Statutes 2014, section 124D.135, subdivision 5, is amended to read:

134.15 Subd. 5. **Use of revenue restricted.** (a) Early childhood family education revenue
134.16 may be used only for early learning programs, including early childhood family education
134.17 programs.

134.18 (b) Not more than five percent of early childhood family education revenue, as defined
134.19 in subdivision 7, may be used to administer early childhood family education programs.

134.20 (c) An early childhood family education program may use up to ten percent of its
134.21 early childhood family education revenue as defined in subdivision 1, including revenue
134.22 from participant fees, for equipment that is used in the early childhood family education
134.23 program. This revenue may only be used for the following purposes:

134.24 (1) to purchase or lease computers and related materials; and

134.25 (2) to purchase or lease equipment for instruction for participating children and
134.26 their families.

134.27 If a district anticipates an unusual circumstance requiring its early childhood family
134.28 education program capital expenditures to exceed the ten percent limitation, prior approval
134.29 to exceed the limit must be obtained in writing from the commissioner.

134.30 **EFFECTIVE DATE.** This section is effective for fiscal year 2017 and later.

134.31 Sec. 6. Minnesota Statutes 2014, section 124D.135, subdivision 7, is amended to read:

135.1 Subd. 7. **Reserve account.** Early childhood family education revenue, which
135.2 includes aids, levies, fees, grants, and all other revenues received by the district for early
135.3 childhood family education programs, must be maintained in either an early learning
135.4 program reserve account or a separate early childhood family education reserve account
135.5 within the community service fund.

135.6 **EFFECTIVE DATE.** This section is effective for fiscal year 2017 and later.

135.7 Sec. 7. Minnesota Statutes 2014, section 124D.15, subdivision 1, is amended to read:

135.8 Subdivision 1. **Establishment; purpose.** A district, charter school, or a group of
135.9 districts or charter schools may establish a school readiness program for children age
135.10 three to kindergarten entrance. The purpose of a school readiness program is to prepare
135.11 children to enter kindergarten.

135.12 Sec. 8. Minnesota Statutes 2014, section 124D.15, subdivision 3a, is amended to read:

135.13 Subd. 3a. **Application and reporting requirements.** (a) A school readiness
135.14 program provider must submit a biennial plan for approval by the commissioner before
135.15 receiving aid under section 124D.16. The plan must describe how the program meets the
135.16 program requirements under subdivision 3. A school district ~~by April 1~~ or charter school
135.17 must submit the plan for approval by the commissioner in the form and manner and by the
135.18 date prescribed by the commissioner. ~~One-half the districts must first submit the plan by~~
135.19 ~~April 1, 2006, and one-half the districts must first submit the plan by April 1, 2007, as~~
135.20 ~~determined by the commissioner.~~

135.21 (b) Programs receiving school readiness funds annually must submit a report to
135.22 the department.

135.23 Sec. 9. Minnesota Statutes 2015 Supplement, section 124D.16, subdivision 2, is
135.24 amended to read:

135.25 Subd. 2. **Amount of aid.** (a) A district or charter school is eligible to receive school
135.26 readiness aid for eligible prekindergarten pupils enrolled in a school readiness program
135.27 under section 124D.15 if the biennial plan required by section 124D.15, subdivision 3a,
135.28 has been approved by the commissioner.

135.29 (b) A school district must receive school readiness aid equal to:

135.30 (1) the number of four-year-old children in the district on October 1 for the previous
135.31 school year times the ratio of 50 percent of the total school readiness aid for that year to
135.32 the total number of four-year-old children reported to the commissioner for the previous
135.33 school year; plus

136.1 (2) the number of pupils enrolled in the school district from families eligible for the
136.2 free or reduced-price school lunch program for the previous school year times the ratio
136.3 of 50 percent of the total school readiness aid for that year to the total number of pupils
136.4 in the state from families eligible for the free or reduced-price school lunch program for
136.5 the previous school year.

136.6 (c) The total school readiness aid entitlement equals \$23,558,000 for fiscal year 2016
136.7 and \$33,683,000 for fiscal year 2017 and later.

136.8 (d) If the aid entitlement in paragraph (c) is increased above \$33,683,000 for any
136.9 year, the commissioner must calculate the school readiness aid entitlement for charter
136.10 schools equal to the aid entitlement in the current year less \$33,683,000. A charter
136.11 school's school readiness aid equals:

136.12 (1) the number of kindergarten pupils enrolled in the charter school on October 1 for
136.13 the previous school year times the ratio of 50 percent of the total charter school readiness
136.14 aid for that year to the total number of charter school kindergarten pupils reported to the
136.15 commissioner for the previous school year; plus

136.16 (2) the number of pupils enrolled in the charter school from families eligible for the
136.17 free or reduced-price school lunch program for the previous school year times the ratio
136.18 of 50 percent of the total charter school readiness aid for that year to the total number of
136.19 pupils in all charter schools from families eligible for the free or reduced-price school
136.20 lunch program for the previous school year.

136.21 (e) If the aid entitlement under paragraph (c) is increased above \$36,683,000, the
136.22 commissioner must combine the counts for school districts and charter schools under
136.23 paragraphs (b) and (c) and compute aid amounts accordingly.

136.24 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2018
136.25 and later.

136.26 Sec. 10. Minnesota Statutes 2014, section 124D.16, subdivision 3, is amended to read:

136.27 Subd. 3. **Use of aid.** School readiness aid shall be used only to provide a school
136.28 readiness program or an early learning program and may be used to provide transportation.
136.29 Not more than five percent of program revenue, as defined in subdivision 5, may be used
136.30 for the cost of administering the program. Aid must be used to supplement and not supplant
136.31 local, state, and federal funding. Aid may not be used for instruction and services required
136.32 under sections 125A.03 to 125A.24 and 125A.65. Aid may not be used to purchase land
136.33 or construct buildings, but may be used to lease or renovate existing buildings.

136.34 **EFFECTIVE DATE.** This section is effective for fiscal year 2017 and later.

137.1 Sec. 11. Minnesota Statutes 2014, section 124D.16, subdivision 5, is amended to read:

137.2 Subd. 5. **Reserve account.** School readiness revenue, which includes aids, fees,
137.3 grants, and all other revenues received by the district school readiness programs, must
137.4 be maintained in either an early learning program reserve account or a school readiness
137.5 reserve account within the community service fund.

137.6 **EFFECTIVE DATE.** This section is effective for fiscal year 2017 and later.

137.7 Sec. 12. Minnesota Statutes 2014, section 124D.165, as amended by Laws 2015, First
137.8 Special Session chapter 3, article 9, section 6, is amended to read:

137.9 **124D.165 EARLY LEARNING SCHOLARSHIPS.**

137.10 Subdivision 1. **Establishment; purpose.** There is established an early learning
137.11 scholarships program in order to increase access to high-quality early childhood programs
137.12 for children ages three to five.

137.13 Subd. 2. **Family eligibility.** (a) For a family to receive an early learning scholarship,
137.14 parents or guardians must meet the following eligibility requirements:

137.15 (1) have a child three or four years of age on September 1 of the current school year,
137.16 who has not yet started kindergarten; and

137.17 (2) have income equal to or less than 185 percent of federal poverty level income
137.18 in the current calendar year, or be able to document their child's current participation in
137.19 the free and reduced-price lunch program or child and adult care food program, National
137.20 School Lunch Act, United States Code, title 42, sections 1751 and 1766; the Food
137.21 Distribution Program on Indian Reservations, Food and Nutrition Act, United States
137.22 Code, title 7, sections 2011-2036; Head Start under the federal Improving Head Start for
137.23 School Readiness Act of 2007; Minnesota family investment program under chapter 256J;
137.24 child care assistance programs under chapter 119B; the supplemental nutrition assistance
137.25 program; or placement in foster care under section 260C.212.

137.26 (b) Notwithstanding the other provisions of this section, a child from birth to age five
137.27 and not yet enrolled in kindergarten is eligible for an early learning scholarship if the child's
137.28 family meets the income eligibility standard established in paragraph (a), clause (2), and:

137.29 (1) the child's parent is under age 21 who and is pursuing a high school or general
137.30 education equivalency diploma is eligible for an early learning scholarship if the parent
137.31 has a child age zero to five years old and meets the income eligibility guidelines in this
137.32 subdivision;

137.33 (2) the child is in foster care or otherwise a child in need of protection or services; or

137.34 (3) the child's family has experienced homelessness in the last 24 months.

138.1 (c) Any siblings between the ages zero to five years old of a child who has been
138.2 awarded a scholarship under this section must be awarded a scholarship upon request,
138.3 provided the sibling attends the same program as long as funds are available.

138.4 (d) A child who has received a scholarship under this section must continue to
138.5 receive a scholarship each year until that child is eligible for kindergarten under section
138.6 120A.20 and as long as funds are available.

138.7 (e) Early learning scholarships may not be counted as earned income for the
138.8 purposes of medical assistance under chapter 256B, MinnesotaCare under chapter 256L,
138.9 Minnesota family investment program under chapter 256J, child care assistance programs
138.10 under chapter 119B, or Head Start under the federal Improving Head Start for School
138.11 Readiness Act of 2007.

138.12 (f) A child from an adjoining state whose family resides at a Minnesota address as
138.13 assigned by the United States Postal Service, who has received developmental screening
138.14 under sections 121A.16 to 121A.19, who intends to enroll in a Minnesota school district,
138.15 and whose family meets the criteria of paragraph (a) is eligible for an early learning
138.16 scholarship under this section.

138.17 Subd. 3. **Administration.** (a) The commissioner shall establish application
138.18 timelines and determine the schedule for awarding scholarships that meets operational
138.19 needs of eligible families and programs. The commissioner may prioritize applications
138.20 on factors including:

138.21 (1) family income;

138.22 (2) geographic location; and

138.23 (3) whether the child's family is on a waiting list for a publicly funded program
138.24 providing early education or child care services;

138.25 (4) whether the child is in foster care or otherwise a child in need of protection or
138.26 services; and

138.27 (5) whether the child's family has experienced homelessness in the last 24 months.

138.28 (b) ~~For fiscal years 2014 and 2015 only, scholarships may not exceed \$5,000 per year~~
138.29 ~~for each eligible child.~~ For fiscal year 2016 and later, the commissioner shall establish
138.30 a target for the average scholarship amount per child based on the results of the rate
138.31 survey conducted under section 119B.02. The commissioner may award a scholarship
138.32 in excess of this amount to a child who qualifies for priority enrollment under paragraph
138.33 (a), clause (4) or (5).

138.34 (c) A four-star rated program that has children eligible for a scholarship enrolled
138.35 in or on a waiting list for a program beginning in July, August, or September may notify
138.36 the commissioner, in the form and manner prescribed by the commissioner, each year of

139.1 the program's desire to enhance program services ~~or~~ and to serve more children than
139.2 current funding provides. The commissioner may designate a predetermined number of
139.3 scholarship slots for that program and notify the program of that number. Beginning July
139.4 1, 2016, a school district or Head Start program qualifying under this paragraph, a licensed
139.5 child care center, or a family child care provider may use its established registration
139.6 process to enroll scholarship recipients and may verify a scholarship recipient's family
139.7 income in the same manner as for other program participants. Scholarships awarded under
139.8 this section must be paid to the eligible program provider designated by the award recipient
139.9 and must be transferred to another eligible program provider at the recipient's request.

139.10 (d) A scholarship is awarded for a 12-month period. If the scholarship recipient has
139.11 not been accepted and subsequently enrolled in a rated program within ten months of the
139.12 awarding of the scholarship, the scholarship cancels and the recipient must reapply in
139.13 order to be eligible for another scholarship. A child may not be awarded more than one
139.14 scholarship in a 12-month period.

139.15 (e) A child who receives a scholarship who has not completed development
139.16 screening under sections 121A.16 to 121A.19 must complete that screening within 90
139.17 days of first attending an eligible program.

139.18 (f) For fiscal year ~~2017~~ 2018 and later, ~~a school district or Head Start program~~
139.19 ~~enrolling scholarship recipients under paragraph (c) may apply to the commissioner, in~~
139.20 ~~the form and manner prescribed by the commissioner, for direct payment of state aid.~~
139.21 ~~Upon receipt of the application, the commissioner must pay each program directly for~~
139.22 ~~each approved scholarship recipient enrolled under paragraph (c) according to the metered~~
139.23 ~~payment system or another schedule established by the commissioner.~~ the total amount of
139.24 funding directly allocated to a program under paragraph (c) must not exceed the amount
139.25 directly awarded to that program in fiscal year 2017.

139.26 Subd. 4. **Early childhood program eligibility.** (a) In order to be eligible to accept
139.27 an early learning scholarship, a program must:

139.28 (1) participate in the quality rating and improvement system under section
139.29 124D.142; and

139.30 (2) beginning July 1, ~~2016~~ 2020, have a three- or four-star rating in the quality
139.31 rating and improvement system.

139.32 (b) Any program accepting scholarships must use the revenue to supplement and not
139.33 supplant federal funding.

139.34 (c) Notwithstanding paragraph (a), all Minnesota early learning foundation
139.35 scholarship program pilot sites are eligible to accept an early learning scholarship under
139.36 this section.

140.1 (d) Notwithstanding paragraph (a), beginning September 1, 2016, a qualifying newly
 140.2 opened program carries the rating of its affiliated program for its first two years of operation.

140.3 (e) For purposes of this subdivision, "qualifying newly opened program" means
 140.4 a program in its first two years of operation actively pursuing a rating whose on-site
 140.5 director has experience operating a three- or four-star rated program, and "affiliated
 140.6 program" means a program with which the newly opened program shares an ownership or
 140.7 management interest or is otherwise structurally linked.

140.8 Subd. 5. **Report required.** The commissioner shall contract with an independent
 140.9 contractor to evaluate the early learning scholarship program. The evaluation must
 140.10 include recommendations regarding the appropriate scholarship amount, efficiency, and
 140.11 effectiveness of the administration, and impact on kindergarten readiness. By January
 140.12 15, 2016, the commissioner shall submit a written copy of the evaluation to the chairs
 140.13 and ranking minority members of the legislative committees and divisions with primary
 140.14 jurisdiction over kindergarten through grade 12 education.

140.15 **EFFECTIVE DATE.** This section is effective July 1, 2016.

140.16 Sec. 13. Laws 2015, First Special Session chapter 3, article 9, section 8, subdivision 7,
 140.17 is amended to read:

140.18 Subd. 7. **Parent-child home program.** For a grant to the parent-child home
 140.19 program:

140.20 \$ 350,000 2016

140.21 ~~350,000~~

140.22 \$ 2,350,000 2017

140.23 The grant must be used for an evidence-based and research-validated early childhood
 140.24 literacy and school readiness program for children ages 16 months to four years at its
 140.25 existing suburban program location. The program must include urban and rural program
 140.26 locations for fiscal years 2016 and 2017.

140.27 The base appropriation for this program for fiscal year 2018 and later is \$350,000.
 140.28 The 2017 appropriation is available until June 30, 2019.

140.29 To the extent practicable, the parent-child home program is encouraged to expend
 140.30 the fiscal year 2017 appropriation equally over fiscal years 2017, 2018, and 2019.

140.31 Sec. 14. Laws 2015, First Special Session chapter 3, article 9, section 8, subdivision 9,
 140.32 is amended to read:

140.33 Subd. 9. **Quality Rating System.** For transfer to the commissioner of human
 140.34 services for the purposes of expanding the Quality Rating and Improvement System under

141.1 Minnesota Statutes, section 124D.142, in greater Minnesota and increasing supports for
 141.2 providers participating in the Quality Rating and Improvement System:

141.3	\$	1,200,000	.....	2016
141.4		2,300,000		
141.5	\$	<u>4,300,000</u>	.....	2017

141.6 To the extent possible, the commissioner must direct at least \$2,000,000 of the 2017
 141.7 appropriation toward increasing access and providing training assistance to providers who
 141.8 are located in underserved or low-income neighborhoods.

141.9 Any balance in the first year does not cancel but is available in the second year. The
 141.10 base for this program in fiscal year 2018 and later is \$1,750,000.

141.11 **EFFECTIVE DATE.** This section is effective July 1, 2016.

141.12 Sec. 15. **REPORT ON EARLY CHILDHOOD PROGRAM PROVIDERS.**

141.13 The Department of Education, in coordination with the Department of Human
 141.14 Services, must provide a report to the legislature by February 15, 2017, summarizing
 141.15 available data collected on the demographics of early childhood providers and other early
 141.16 childhood program staff, administrators, and board members.

141.17 Sec. 16. **APPROPRIATION.**

141.18 Subdivision 1. Department of Education. The sums indicated in this section are
 141.19 appropriated from the general fund to the commissioner of education for the fiscal year
 141.20 designated.

141.21 Subd. 2. St. Cloud preschool pilot program. For a grant to Independent School
 141.22 District No. 742, St. Cloud, to establish a preschool pilot program targeting low-income
 141.23 students and English language learners.

141.24	\$	<u>430,000</u>	<u>2017</u>
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141.25 Funds appropriated in this section are to be used to create morning and afternoon
 141.26 preschool sections, serving at least 90 students from families with low income or
 141.27 from families where English is not the primary language spoken in the child's home
 141.28 environment. The funds appropriated under this section may be used to purchase
 141.29 developmentally appropriate furniture and materials, instructional materials, and
 141.30 curriculum materials; hire and train teachers and staff; and offset transportation costs.

141.31 Independent School District No. 742, St. Cloud, must submit an annual report by
 141.32 January 15 of 2017, 2018, and 2019, describing the activities undertaken and outcomes

142.1 achieved with this grant. The 2019 report must contain recommendations for other
142.2 districts interested in similar prekindergarten programs.

142.3 This is a onetime appropriation. The fiscal year 2017 appropriation is available
142.4 until June 30, 2019.

142.5 **ARTICLE 13**

142.6 **SELF-SUFFICIENCY AND LIFELONG LEARNING**

142.7 Section 1. Minnesota Statutes 2014, section 124D.52, subdivision 1, is amended to read:

142.8 Subdivision 1. **Program requirements.** (a) An adult basic education program is
142.9 a day or evening program offered by a district that is for people ~~over 16 years of age~~
142.10 who do not attend an elementary or secondary school and are not subject to compulsory
142.11 attendance. The program offers academic and English language instruction necessary to
142.12 earn a high school diploma or equivalency certificate.

142.13 (b) Notwithstanding any law to the contrary, a school board or the governing body of
142.14 a consortium offering an adult basic education program may adopt a sliding fee schedule
142.15 based on a family's income, but must waive the fee for participants who are under the age
142.16 of 21 or unable to pay. The fees charged must be designed to enable individuals of all
142.17 socioeconomic levels to participate in the program. A program may charge a security
142.18 deposit to assure return of materials, supplies, and equipment.

142.19 (c) Each approved adult basic education program must develop a memorandum of
142.20 understanding with the local workforce development centers located in the approved
142.21 program's service delivery area. The memorandum of understanding must describe how
142.22 the adult basic education program and the workforce development centers will cooperate
142.23 and coordinate services to provide unduplicated, efficient, and effective services to clients.

142.24 (d) Adult basic education aid must be spent for adult basic education purposes as
142.25 specified in sections 124D.518 to 124D.531.

142.26 (e) A state-approved adult basic education program must count and submit student
142.27 contact hours for a program that offers high school credit toward an adult high school
142.28 diploma according to student eligibility requirements and measures of student progress
142.29 toward work-based competency and, where appropriate, English language proficiency
142.30 requirements established by the commissioner and posted on the department Web site in
142.31 a readily accessible location and format.

142.32 Sec. 2. Minnesota Statutes 2014, section 124D.52, subdivision 2, is amended to read:

142.33 Subd. 2. **Program approval.** (a) To receive aid under this section, a district, a
142.34 ~~consortium of districts,~~ the Department of Corrections, ~~or~~ a private nonprofit organization,

143.1 or a consortium including districts, nonprofit organizations, or both must submit an
143.2 application by June 1 describing the program, on a form provided by the department. The
143.3 program must be approved by the commissioner according to the following criteria:

143.4 (1) how the needs of different levels of learning and English language proficiency
143.5 will be met;

143.6 (2) for continuing programs, an evaluation of results;

143.7 (3) anticipated number and education level of participants;

143.8 (4) coordination with other resources and services;

143.9 (5) participation in a consortium, if any, and money available from other participants;

143.10 (6) management and program design;

143.11 (7) volunteer training and use of volunteers;

143.12 (8) staff development services;

143.13 (9) program sites and schedules;

143.14 (10) program expenditures that qualify for aid;

143.15 (11) program ability to provide data related to learner outcomes as required by
143.16 law; and

143.17 (12) a copy of the memorandum of understanding described in subdivision 1
143.18 submitted to the commissioner.

143.19 (b) Adult basic education programs may be approved under this subdivision for
143.20 up to five years. Five-year program approval must be granted to an applicant who has
143.21 demonstrated the capacity to:

143.22 (1) offer comprehensive learning opportunities and support service choices
143.23 appropriate for and accessible to adults at all basic skill and English language levels of need;

143.24 (2) provide a participatory and experiential learning approach based on the strengths,
143.25 interests, and needs of each adult, that enables adults with basic skill needs to:

143.26 (i) identify, plan for, and evaluate their own progress toward achieving their defined
143.27 educational and occupational goals;

143.28 (ii) master the basic academic reading, writing, and computational skills, as well
143.29 as the problem-solving, decision making, interpersonal effectiveness, and other life and
143.30 learning skills they need to function effectively in a changing society;

143.31 (iii) locate and be able to use the health, governmental, and social services and
143.32 resources they need to improve their own and their families' lives; and

143.33 (iv) continue their education, if they desire, to at least the level of secondary school
143.34 completion, with the ability to secure and benefit from continuing education that will
143.35 enable them to become more employable, productive, and responsible citizens;

- 144.1 (3) plan, coordinate, and develop cooperative agreements with community resources
144.2 to address the needs that the adults have for support services, such as transportation, English
144.3 language learning, flexible course scheduling, convenient class locations, and child care;
- 144.4 (4) collaborate with business, industry, labor unions, and employment-training
144.5 agencies, as well as with family and occupational education providers, to arrange for
144.6 resources and services through which adults can attain economic self-sufficiency;
- 144.7 (5) provide sensitive and well trained adult education personnel who participate in
144.8 local, regional, and statewide adult basic education staff development events to master
144.9 effective adult learning and teaching techniques;
- 144.10 (6) participate in regional adult basic education peer program reviews and evaluations;
- 144.11 (7) submit accurate and timely performance and fiscal reports;
- 144.12 (8) submit accurate and timely reports related to program outcomes and learner
144.13 follow-up information; and
- 144.14 (9) spend adult basic education aid on adult basic education purposes only, which
144.15 are specified in sections 124D.518 to 124D.531.

144.16 (c) The commissioner shall require each district to provide notification by February
144.17 1, 2001, of its intent to apply for funds under this section as a single district or as part of
144.18 an identified consortium of districts. A district receiving funds under this section must
144.19 notify the commissioner by February 1 of its intent to change its application status for
144.20 applications due the following June 1.

144.21 Sec. 3. Minnesota Statutes 2014, section 124D.55, is amended to read:

144.22 **124D.55 GENERAL EDUCATION DEVELOPMENT (GED) TEST FEES.**

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

144.26 For fiscal year 2017 only, the commissioner shall pay 100 percent of the fee charged
144.27 to an eligible individual for the full battery of general education development (GED) tests,
144.28 but not more than the cost of one full battery of tests per year for any individual.

144.29 Sec. 4. Laws 2015, First Special Session chapter 3, article 11, section 3, subdivision 3,
144.30 is amended to read:

144.31 Subd. 3. **GED tests.** For payment of 60 percent of the costs of GED tests under
144.32 Minnesota Statutes, section 124D.55:

146.1 Sec. 2. Minnesota Statutes 2014, section 122A.18, subdivision 7c, is amended to read:

146.2 Subd. 7c. **Temporary military license.** The Board of Teaching shall establish
146.3 a temporary license in accordance with section 197.4552 for teaching. The fee for a
146.4 temporary license under this subdivision shall be \$87.90 for an online application or
146.5 \$86.40 for a paper application. The board must deposit the fees received from applicants
146.6 in the educator licensure account in the special revenue fund.

146.7 **EFFECTIVE DATE.** This section is effective July 1, 2016.

146.8 Sec. 3. Minnesota Statutes 2014, section 122A.18, subdivision 8, is amended to read:

146.9 Subd. 8. **Background checks.** (a) The Board of Teaching and the commissioner
146.10 of education must request a criminal history background check from the superintendent
146.11 of the Bureau of Criminal Apprehension on all applicants for initial licenses under their
146.12 jurisdiction. An application for a license under this section must be accompanied by:

146.13 (1) an executed criminal history consent form, including fingerprints; and

146.14 (2) ~~a money order or cashier's check payable to the Bureau of Criminal Apprehension~~
146.15 ~~for the fee for conducting payment to conduct the criminal history background check.~~ The
146.16 Board of Teaching and the commissioner of education must deposit payments received
146.17 under this subdivision in the educator licensure background check account in the special
146.18 revenue fund.

146.19 (b) The superintendent of the Bureau of Criminal Apprehension shall perform the
146.20 background check required under paragraph (a) by retrieving criminal history data as
146.21 defined in section 13.87 and shall also conduct a search of the national criminal records
146.22 repository. The superintendent is authorized to exchange fingerprints with the Federal
146.23 Bureau of Investigation for purposes of the criminal history check. The superintendent
146.24 shall recover the cost to the bureau of a background check through the fee charged to
146.25 the applicant under paragraph (a).

146.26 (c) The Board of Teaching or the commissioner of education may issue a license
146.27 pending completion of a background check under this subdivision, but must notify
146.28 the individual that the individual's license may be revoked based on the result of the
146.29 background check.

146.30 **EFFECTIVE DATE.** This section is effective July 1, 2016.

146.31 Sec. 4. **[122A.185] SPECIAL REVENUE FUND ACCOUNTS; EDUCATOR**
146.32 **LICENSURE AND BACKGROUND CHECKS.**

147.1 Subdivision 1. **Educator licensure account.** An educator licensure account is
 147.2 created in the special revenue fund. Applicant licensure fees received by the Department
 147.3 of Education, the Board of Teaching, or the Board of School Administrators must be
 147.4 deposited in the educator licensure account. Any funds appropriated from this account
 147.5 that remain unexpended at the end of the biennium cancel to the educator licensure
 147.6 account in the special revenue fund.

147.7 Subd. 2. **Background check account.** An educator licensure background check
 147.8 account is created in the special revenue fund. The Department of Education, the Board of
 147.9 Teaching, and the Board of School Administrators must deposit all payments submitted by
 147.10 license applicants for criminal background checks conducted by the Bureau of Criminal
 147.11 Apprehension in the educator licensure background check account. Amounts in the
 147.12 account are annually appropriated to the commissioner of education for payment to the
 147.13 superintendent of the Bureau of Criminal Apprehension for the costs of background
 147.14 checks on applicants for licensure.

147.15 **EFFECTIVE DATE.** This section is effective July 1, 2016.

147.16 Sec. 5. Minnesota Statutes 2014, section 122A.21, subdivision 1, is amended to read:

147.17 Subdivision 1. **Licensure applications.** Each applicant submitting an application
 147.18 for the issuance, renewal, or extension of to the Board of Teaching to issue, renew, or
 147.19 extend a teaching license to teach, including applications for licensure via portfolio under
 147.20 subdivision 2, must be accompanied by include a processing fee of \$57. Each application
 147.21 for issuing, renewing, or extending the license of a school administrator or supervisor
 147.22 must be accompanied by a processing fee in the amount set by the Board of Teaching. The
 147.23 processing fee for a teacher's license and for the licenses of supervisory personnel must
 147.24 be paid to the executive secretary of the appropriate board and deposited in the educator
 147.25 licensure account in the special revenue fund. The executive secretary of the board shall
 147.26 deposit the fees with the commissioner of management and budget. The fees as set by the
 147.27 board are nonrefundable for applicants not qualifying for a license. However, a fee must
 147.28 be refunded by the commissioner of management and budget must refund a fee in any
 147.29 case in which the applicant already holds a valid unexpired license. The board may waive
 147.30 or reduce fees for applicants who apply at the same time for more than one license.

147.31 **EFFECTIVE DATE.** This section is effective July 1, 2016.

147.32 Sec. 6. Minnesota Statutes 2015 Supplement, section 122A.21, subdivision 2, is
 147.33 amended to read:

148.1 Subd. 2. **Licensure via portfolio.** (a) An eligible candidate may use licensure via
148.2 portfolio to obtain an initial licensure or to add a licensure field, consistent with applicable
148.3 Board of Teaching licensure rules.

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

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

148.9 (d) The Board of Teaching must notify a candidate who submits a portfolio under
148.10 paragraph (b) or (c) within 90 calendar days after the portfolio is received whether or not
148.11 the portfolio was approved. If the portfolio was not approved, the board must immediately
148.12 inform the candidate how to revise the portfolio to successfully demonstrate the requisite
148.13 competence. The candidate may resubmit a revised portfolio at any time and the Educator
148.14 Licensing Division at the department must approve or disapprove the portfolio within
148.15 60 calendar days of receiving it.

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

148.24 **EFFECTIVE DATE.** This section is effective July 1, 2016.

148.25 Sec. 7. Minnesota Statutes 2014, section 122A.21, is amended by adding a subdivision
148.26 to read:

148.27 Subd. 3. **Annual appropriations.** The amounts collected under subdivision 2
148.28 and deposited in the educator licensure account in the special revenue fund are annually
148.29 appropriated to the Board of Teaching.

148.30 **EFFECTIVE DATE.** This section is effective July 1, 2016.

148.31 Sec. 8. Minnesota Statutes 2015 Supplement, section 122A.415, subdivision 3, is
148.32 amended to read:

149.1 Subd. 3. **Revenue timing.** (a) Districts, intermediate school districts, cooperatives,
149.2 school sites, or charter schools with approved applications must receive alternative
149.3 compensation revenue for each school year that the district, intermediate school district,
149.4 cooperative, school site, or charter school implements an alternative teacher professional
149.5 pay system under this subdivision and section 122A.414. A qualifying district, intermediate
149.6 school district, cooperative, school site, or charter school that received alternative teacher
149.7 compensation aid for the previous fiscal year must receive at least an amount of alternative
149.8 teacher compensation revenue equal to the lesser of the amount it received for the previous
149.9 fiscal year or the amount it qualifies for under subdivision 1 for the current fiscal year if
149.10 the district, intermediate school district, cooperative, school site, or charter school submits
149.11 a timely application and the commissioner determines that the district, intermediate school
149.12 district, cooperative, school site, or charter school continues to implement an alternative
149.13 teacher professional pay system, consistent with its application under this section.

149.14 (b) The commissioner shall approve applications that comply with subdivision 1,
149.15 and section 122A.414, subdivisions 2, paragraph (b), and 2a, if the applicant is a charter
149.16 school or cooperative, in the order in which they are received, select applicants that
149.17 qualify for this program, notify school districts, intermediate school districts, cooperatives,
149.18 school sites, and charter schools about the program, develop and disseminate application
149.19 materials, and carry out other activities needed to implement this section.

149.20 (c) A school district, intermediate school district, cooperative, school site, or charter
149.21 school with an approved application and a written notice from the commissioner that the
149.22 district qualifies for its first year of alternative compensation revenue must receive revenue
149.23 for that year according to section 127A.41, subdivision 2.

149.24 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2016
149.25 and later.

149.26 Sec. 9. Minnesota Statutes 2014, section 127A.41, subdivision 2, is amended to read:

149.27 Subd. 2. **Errors in distribution.** (a) On determining that the amount of state aid
149.28 distributed to a school district is in error, the commissioner is authorized to adjust the
149.29 amount of aid consistent with this subdivision. On determining that the amount of aid is
149.30 in excess of the school district's entitlement, the commissioner is authorized to recover
149.31 the amount of the excess by any appropriate means. Notwithstanding the fiscal years
149.32 designated by the appropriation, the excess may be recovered by reducing future aid
149.33 payments to the district. Notwithstanding any law to the contrary, if the aid reduced is not
149.34 of the same type as that overpaid, the district must adjust all necessary financial accounts
149.35 to properly reflect all revenues earned in accordance with the uniform financial accounting

150.1 and reporting standards pursuant to sections 123B.75 to 123B.83. Notwithstanding the
 150.2 fiscal years designated by the appropriation, on determining that the amount of an aid paid
 150.3 is less than the school district's entitlement, the commissioner is authorized to increase
 150.4 such aid from the current appropriation. If the aid program has been discontinued and has
 150.5 no appropriation, the appropriation for general education shall be used for recovery or
 150.6 payment of the aid decrease or increase. Any excess of aid recovery over aid payment
 150.7 shall be canceled to the state general fund.

150.8 (b) If the commissioner determines that an error in aid payments to a school under
 150.9 section 122A.415, subdivision 3, paragraph (c), cannot be corrected under this section,
 150.10 the commissioner must transfer the necessary funds and make those payments from the
 150.11 Department of Education's annual operating budget.

150.12 **EFFECTIVE DATE.** This section is effective the day following final enactment for
 150.13 aid adjustments for fiscal year 2016 and later.

150.14 Sec. 10. Laws 2015, First Special Session chapter 3, article 12, section 4, is amended
 150.15 to read:

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

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

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

150.21	\$	21,246,000	.....	2016
150.22		21,973,000		
150.23	\$	<u>20,075,000</u>	.....	2017

150.24 (b) The fiscal year 2017 appropriation includes \$19,173,000 from the general fund
 150.25 and \$916,000 is from the educator licensure account in the special revenue fund.

150.26 Of these amounts:

150.27 (1) \$718,000 ~~each~~ in fiscal year 2016 is for the Board of Teaching;

150.28 (2) \$228,000 in fiscal year 2016 ~~and \$231,000 in fiscal year 2017~~ are ~~is~~ for the
 150.29 Board of School Administrators;

150.30 (3) \$1,000,000 ~~each~~ in fiscal year 2016 only is for Regional Centers of Excellence
 150.31 under Minnesota Statutes, section 120B.115;

150.32 (4) \$500,000 each year is for the School Safety Technical Assistance Center under
 150.33 Minnesota Statutes, section 127A.052;

150.34 (5) \$250,000 each year is for the School Finance Division to enhance financial
 150.35 data analysis; and

151.1 (6) \$441,000 in fiscal year 2016 and \$720,000 in fiscal year 2017 is for implementing
 151.2 Laws 2014, chapter 272, article 1, Minnesota's Learning for English Academic Proficiency
 151.3 and Success Act, as amended.

151.4 ~~(b)~~

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

151.6 ~~(e)~~ (d) None of the amounts appropriated under this subdivision may be used for
 151.7 Minnesota's Washington, D.C. office.

151.8 ~~(d)~~ (e) The expenditures of federal grants and aids as shown in the biennial budget
 151.9 document and its supplements are approved and appropriated and shall be spent as
 151.10 indicated.

151.11 ~~(e)~~ (f) This appropriation includes funds for information technology project services
 151.12 and support subject to the provisions of Minnesota Statutes, section 16E.0466. Any
 151.13 ongoing information technology costs will be incorporated into the service level agreement
 151.14 and will be paid to the Office of MN.IT Services by the Department of Education under
 151.15 the rates and mechanism specified in that agreement.

151.16 ~~(f)~~ (g) If a school qualifying for aid under Minnesota Statutes, section 122A.415,
 151.17 subdivision 3, paragraph (c), does not receive aid under that section or Minnesota Statutes,
 151.18 section 127A.41, subdivision 2, paragraph (b), the commissioner must transfer the
 151.19 amounts necessary to make these payments from the agency appropriation in paragraph
 151.20 (a) to the appropriation for alternative compensation revenue.

151.21 (h) \$51,000 in fiscal year 2017 is for agency compliance.

151.22 (i) The agency's base budget in fiscal year 2018 is ~~\$21,973,000~~ \$20,024,000. The
 151.23 agency's base budget in fiscal year 2019 is ~~\$21,948,000~~ \$19,999,000.

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

151.25 Sec. 11. **TRANSFERS.**

151.26 **Subdivision 1. Portfolio account.** On July 1, 2016, the commissioner of management
 151.27 and budget shall transfer any balances in the educator licensure portfolio account in the
 151.28 special revenue fund to the educator licensure account in the special revenue fund.

151.29 **Subd. 2. Background check.** Any balance in an account that holds fees collected
 151.30 under Minnesota Statutes, section 122A.18, subdivision 8, is transferred to the educator
 151.31 licensure background check account in the special revenue fund under Minnesota Statutes,
 151.32 section 122A.185, subdivision 2. On July 2, 2016, \$80,000 is transferred from the
 151.33 education licensure background check account in the special revenue fund to the educator
 151.34 licensure account in the special revenue fund.

152.1 Sec. 12. **APPROPRIATION; BOARD OF TEACHING.**

152.2 \$718,000 in fiscal year 2017 is appropriated from the educator licensure account in
 152.3 the special revenue fund to the Board of Teaching.

152.4 Sec. 13. **APPROPRIATION; BOARD OF SCHOOL ADMINISTRATORS.**

152.5 \$231,000 in fiscal year 2017 is appropriated from the educator licensure account in
 152.6 the special revenue fund to the Board of School Administrators.

152.7 **ARTICLE 15**

152.8 **FORECAST ADJUSTMENTS**

152.9 Section 1. Laws 2015, First Special Session chapter 3, article 1, section 27, subdivision
 152.10 4, is amended to read:

152.11 Subd. 4. **Abatement revenue.** For abatement aid under Minnesota Statutes, section
 152.12 127A.49:

152.13		2,740,000		
152.14	\$	<u>3,051,000</u>	.....	2016
152.15		2,932,000		
152.16	\$	<u>3,425,000</u>	.....	2017

152.17 The 2016 appropriation includes \$278,000 for 2015 and ~~\$2,462,000~~ \$2,773,000
 152.18 for 2016.

152.19 The 2017 appropriation includes ~~\$273,000~~ \$308,000 for 2016 and ~~\$2,659,000~~
 152.20 \$3,117,000 for 2017.

152.21 Sec. 2. Laws 2015, First Special Session chapter 3, article 1, section 27, subdivision 5,
 152.22 is amended to read:

152.23 Subd. 5. **Consolidation transition.** For districts consolidating under Minnesota
 152.24 Statutes, section 123A.485:

152.25		292,000		
152.26	\$	<u>22,000</u>	.....	2016
152.27		165,000		
152.28	\$	<u>0</u>	.....	2017

152.29 The 2016 appropriation includes \$22,000 for 2015 and ~~\$270,000~~ \$0 for 2016.

152.30 The 2017 appropriation includes ~~\$30,000~~ \$0 for 2016 and ~~\$135,000~~ \$0 for 2017.

152.31 Sec. 3. Laws 2015, First Special Session chapter 3, article 1, section 27, subdivision 6,
 152.32 is amended to read:

153.1 Subd. 6. **Nonpublic pupil education aid.** For nonpublic pupil education aid under
 153.2 Minnesota Statutes, sections 123B.40 to 123B.43 and 123B.87:

153.3 ~~16,881,000~~
 153.4 \$ 16,759,000 2016
 153.5 ~~17,460,000~~
 153.6 \$ 17,235,000 2017

153.7 The 2016 appropriation includes \$1,575,000 for 2015 and ~~\$15,306,000~~ \$15,184,000
 153.8 for 2016.

153.9 The 2017 appropriation includes ~~\$1,700,000~~ \$1,687,000 for 2016 and ~~\$15,760,000~~
 153.10 \$15,548,000 for 2017.

153.11 Sec. 4. Laws 2015, First Special Session chapter 3, article 1, section 27, subdivision 7,
 153.12 is amended to read:

153.13 Subd. 7. **Nonpublic pupil transportation.** For nonpublic pupil transportation aid
 153.14 under Minnesota Statutes, section 123B.92, subdivision 9:

153.15 ~~17,654,000~~
 153.16 \$ 17,673,000 2016
 153.17 ~~17,792,000~~
 153.18 \$ 18,103,000 2017

153.19 The 2016 appropriation includes \$1,816,000 for 2015 and ~~\$15,838,000~~ \$15,857,000
 153.20 for 2016.

153.21 The 2017 appropriation includes ~~\$1,759,000~~ \$1,761,000 for 2016 and ~~\$16,033,000~~
 153.22 \$16,342,000 for 2017.

153.23 Sec. 5. Laws 2015, First Special Session chapter 3, article 1, section 27, subdivision 9,
 153.24 is amended to read:

153.25 Subd. 9. **Career and technical aid.** For career and technical aid under Minnesota
 153.26 Statutes, section 124D.4531, subdivision 1b:

153.27 ~~5,420,000~~
 153.28 \$ 5,922,000 2016
 153.29 ~~4,405,000~~
 153.30 \$ 4,262,000 2017

153.31 The 2016 appropriation includes \$574,000 for 2015 and ~~\$4,846,000~~ \$5,348,000
 153.32 for 2016.

153.33 The 2017 appropriation includes ~~\$538,000~~ \$517,000 for 2016 and ~~\$3,867,000~~
 153.34 \$3,745,000 for 2017.

154.1 Sec. 6. Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision 3,
154.2 is amended to read:

154.3 Subd. 3. **Achievement and integration aid.** For achievement and integration aid
154.4 under Minnesota Statutes, section 124D.862:

154.5		65,539,000		
154.6	\$	<u>65,439,000</u>	.....	2016
154.7		68,745,000		
154.8	\$	<u>69,255,000</u>	.....	2017

154.9 The 2016 appropriation includes \$6,382,000 for 2015 and ~~\$59,157,000~~ \$59,057,000
154.10 for 2016.

154.11 The 2017 appropriation includes ~~\$6,573,000~~ \$6,561,000 for 2016 and ~~\$62,172,000~~
154.12 \$62,694,000 for 2017.

154.13 Sec. 7. Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision 4,
154.14 is amended to read:

154.15 Subd. 4. **Literacy incentive aid.** For literacy incentive aid under Minnesota
154.16 Statutes, section 124D.98:

154.17		44,552,000		
154.18	\$	<u>44,538,000</u>	.....	2016
154.19		45,508,000		
154.20	\$	<u>45,855,000</u>	.....	2017

154.21 The 2016 appropriation includes \$4,683,000 for 2015 and ~~\$39,869,000~~ \$39,855,000
154.22 for 2016.

154.23 The 2017 appropriation includes ~~\$4,429,000~~ \$4,428,000 for 2016 and ~~\$41,079,000~~
154.24 \$41,427,000 for 2017.

154.25 Sec. 8. Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision 5,
154.26 is amended to read:

154.27 Subd. 5. **Interdistrict desegregation or integration transportation grants.** For
154.28 interdistrict desegregation or integration transportation grants under Minnesota Statutes,
154.29 section 124D.87:

154.30		15,023,000		
154.31	\$	<u>14,423,000</u>	.....	2016
154.32		15,825,000		
154.33	\$	<u>15,193,000</u>	.....	2017

154.34 Sec. 9. Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision 7,
154.35 is amended to read:

155.1 Subd. 7. **Tribal contract schools.** For tribal contract school aid under Minnesota
 155.2 Statutes, section 124D.83:

155.3 ~~4,340,000~~
 155.4 \$ 3,539,000 2016
 155.5 ~~5,090,000~~
 155.6 \$ 3,715,000 2017

155.7 The 2016 appropriation includes \$204,000 for 2015 and ~~\$4,136,000~~ \$3,335,000
 155.8 for 2016.

155.9 The 2017 appropriation includes ~~\$459,000~~ \$370,000 for 2016 and ~~\$4,631,000~~
 155.10 \$3,345,000 for 2017.

155.11 Sec. 10. Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision
 155.12 11, is amended to read:

155.13 Subd. 11. **American Indian education aid.** For American Indian education aid
 155.14 under Minnesota Statutes, section 124D.81, subdivision 2a:

155.15 ~~7,868,000~~
 155.16 \$ 7,740,000 2016
 155.17 ~~8,875,000~~
 155.18 \$ 8,878,000 2017

155.19 The 2016 appropriation includes \$0 for 2015 and ~~\$7,868,000~~ \$7,740,000 for 2016.

155.20 The 2017 appropriation includes ~~\$874,000~~ \$860,000 for 2016 and ~~\$8,001,000~~
 155.21 \$8,018,000 for 2017.

155.22 Sec. 11. Laws 2015, First Special Session chapter 3, article 4, section 9, subdivision 2,
 155.23 is amended to read:

155.24 Subd. 2. **Charter school building lease aid.** For building lease aid under Minnesota
 155.25 Statutes, section ~~124D.11, subdivision 4~~ 124E.22:

155.26 ~~66,787,000~~
 155.27 \$ 63,540,000 2016
 155.28 ~~73,603,000~~
 155.29 \$ 69,962,000 2017

155.30 The 2016 appropriation includes \$6,032,000 for 2015 and ~~\$60,755,000~~ \$57,508,000
 155.31 for 2016.

155.32 The 2017 appropriation includes ~~\$6,750,000~~ \$6,389,000 for 2016 and ~~\$66,853,000~~
 155.33 \$63,573,000 for 2017.

155.34 Sec. 12. Laws 2015, First Special Session chapter 3, article 5, section 30, subdivision
 155.35 3, is amended to read:

156.1 Subd. 3. **Travel for home-based services.** For aid for teacher travel for home-based
 156.2 services under Minnesota Statutes, section 125A.75, subdivision 1:

156.3 ~~361,000~~
 156.4 \$ 416,000 2016
 156.5 ~~371,000~~
 156.6 \$ 435,000 2017

156.7 The 2016 appropriation includes \$35,000 for 2015 and ~~\$326,000~~ \$381,000 for 2016.

156.8 The 2017 appropriation includes ~~\$36,000~~ \$42,000 for 2016 and ~~\$335,000~~ \$393,000
 156.9 for 2017.

156.10 Sec. 13. Laws 2015, First Special Session chapter 3, article 5, section 30, subdivision
 156.11 5, is amended to read:

156.12 Subd. 5. **Aid for children with disabilities.** For aid under Minnesota Statutes,
 156.13 section 125A.75, subdivision 3, for children with disabilities placed in residential facilities
 156.14 within the district boundaries for whom no district of residence can be determined:

156.15 ~~1,406,000~~
 156.16 \$ 1,307,000 2016
 156.17 ~~1,629,000~~
 156.18 \$ 1,516,000 2017

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

156.21 Sec. 14. Laws 2015, First Special Session chapter 3, article 6, section 13, subdivision
 156.22 2, is amended to read:

156.23 Subd. 2. **Long-term maintenance equalization aid.** For long-term maintenance
 156.24 equalization aid under Minnesota Statutes, section 123B.595:

156.25 \$ 0 2016
 156.26 ~~52,088,000~~
 156.27 \$ 52,553,000 2017

156.28 The 2017 appropriation includes \$0 for 2016 and ~~\$52,088,000~~ \$52,553,000 for 2017.

156.29 Sec. 15. Laws 2015, First Special Session chapter 3, article 6, section 13, subdivision
 156.30 3, is amended to read:

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

156.33 \$ 20,349,000 2016
 156.34 ~~22,171,000~~
 156.35 \$ 22,926,000 2017

157.1 The 2016 appropriation includes \$2,295,000 for 2015 and \$18,054,000 for 2016.

157.2 The 2017 appropriation includes \$2,005,000 for 2016 and ~~\$20,166,000~~ \$20,921,000
 157.3 for 2017.

157.4 Sec. 16. Laws 2015, First Special Session chapter 3, article 6, section 13, subdivision
 157.5 6, is amended to read:

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

157.8		3,520,000		
157.9	\$	<u>3,523,000</u>	.....	2016
157.10	\$	345,000	.....	2017

157.11 The 2016 appropriation includes \$409,000 for 2015 and ~~\$3,111,000~~ \$3,114,000
 157.12 for 2016.

157.13 The 2017 appropriation includes \$345,000 for 2016 and \$0 for 2017.

157.14 Sec. 17. Laws 2015, First Special Session chapter 3, article 6, section 13, subdivision
 157.15 7, is amended to read:

157.16 Subd. 7. **Health and safety revenue.** For health and safety aid according to
 157.17 Minnesota Statutes, section 123B.57, subdivision 5:

157.18		501,000		
157.19	\$	<u>588,000</u>	.....	2016
157.20		48,000		
157.21	\$	<u>57,000</u>	.....	2017

157.22 The 2016 appropriation includes \$66,000 for 2015 and ~~\$435,000~~ \$522,000 for 2016.

157.23 The 2017 appropriation includes ~~\$48,000~~ \$57,000 for 2016 and \$0 for 2017.

157.24 Sec. 18. Laws 2015, First Special Session chapter 3, article 7, section 7, subdivision 2,
 157.25 is amended to read:

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

157.28		15,661,000		
157.29	\$	<u>16,251,000</u>	.....	2016
157.30		15,818,000		
157.31	\$	<u>16,739,000</u>	.....	2017

157.32 Sec. 19. Laws 2015, First Special Session chapter 3, article 7, section 7, subdivision 3,
 157.33 is amended to read:

158.1 Subd. 3. **School breakfast.** For traditional school breakfast aid under Minnesota
 158.2 Statutes, section 124D.1158:

158.3		9,731,000		
158.4	\$	<u>9,457,000</u>	.....	2016
158.5		10,361,000		
158.6	\$	<u>10,149,000</u>	.....	2017

158.7 Sec. 20. Laws 2015, First Special Session chapter 3, article 7, section 7, subdivision 4,
 158.8 is amended to read:

158.9 Subd. 4. **Kindergarten milk.** For kindergarten milk aid under Minnesota Statutes,
 158.10 section 124D.118:

158.11		942,000		
158.12	\$	<u>788,000</u>	.....	2016
158.13		942,000		
158.14	\$	<u>788,000</u>	.....	2017

158.15 Sec. 21. Laws 2015, First Special Session chapter 3, article 9, section 8, subdivision 5,
 158.16 is amended to read:

158.17 Subd. 5. **Early childhood family education aid.** For early childhood family
 158.18 education aid under Minnesota Statutes, section 124D.135:

158.19		28,444,000		
158.20	\$	<u>27,948,000</u>	.....	2016
158.21		29,939,000		
158.22	\$	<u>29,336,000</u>	.....	2017

158.23 The 2016 appropriation includes \$2,713,000 for 2015 and ~~\$25,731,000~~ \$25,235,000
 158.24 for 2016.

158.25 The 2017 appropriation includes ~~\$2,858,000~~ \$2,803,000 for 2016 and ~~\$27,081,000~~
 158.26 \$26,533,000 for 2017.

158.27 Sec. 22. Laws 2015, First Special Session chapter 3, article 9, section 8, subdivision 6,
 158.28 is amended to read:

158.29 Subd. 6. **Developmental screening aid.** For developmental screening aid under
 158.30 Minnesota Statutes, sections 121A.17 and 121A.19:

158.31		3,363,000		
158.32	\$	<u>3,477,000</u>	.....	2016
158.33		3,369,000		
158.34	\$	<u>3,488,000</u>	.....	2017

158.35 The 2016 appropriation includes \$338,000 for 2015 and ~~\$3,025,000~~ \$3,139,000
 158.36 for 2016.

159.1 The 2017 appropriation includes ~~\$336,000~~ \$348,000 for 2016 and ~~\$3,033,000~~
 159.2 \$3,140,000 for 2017.

159.3 Sec. 23. Laws 2015, First Special Session chapter 3, article 10, section 3, subdivision
 159.4 2, is amended to read:

159.5 Subd. 2. **Community education aid.** For community education aid under
 159.6 Minnesota Statutes, section 124D.20:

159.7		788,000		
159.8	\$	<u>790,000</u>	.....	2016
159.9		554,000		
159.10	\$	<u>553,000</u>	.....	2017

159.11 The 2016 appropriation includes \$107,000 for 2015 and ~~\$681,000~~ \$683,000 for 2016.

159.12 The 2017 appropriation includes \$75,000 for 2016 and ~~\$479,000~~ \$478,000 for 2017.

159.13 Sec. 24. Laws 2015, First Special Session chapter 3, article 11, section 3, subdivision
 159.14 2, is amended to read:

159.15 Subd. 2. **Adult basic education aid.** For adult basic education aid under Minnesota
 159.16 Statutes, section 124D.531:

159.17		49,118,000		
159.18	\$	<u>48,231,000</u>	.....	2016
159.19		50,592,000		
159.20	\$	<u>49,683,000</u>	.....	2017

159.21 The 2016 appropriation includes \$4,782,000 for 2015 and ~~\$44,336,000~~ \$43,449,000
 159.22 for 2016.

159.23 The 2017 appropriation includes ~~\$4,926,000~~ \$4,827,000 for 2016 and ~~\$45,666,000~~
 159.24 \$44,856,000 for 2017.

APPENDIX
Article locations in H2749-1

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120B.299 DEFINITIONS.

Subd. 5. **Adequate yearly progress.** A school or district makes "adequate yearly progress" if, for every student subgroup under the federal 2001 No Child Left Behind Act in the school or district, its proficiency index or other approved adjustments for performance, based on statewide assessment scores, meets or exceeds federal expectations. To make adequate yearly progress, the school or district also must satisfy applicable federal requirements related to student attendance, graduation, and test participation rates.

122A.40 EMPLOYMENT; CONTRACTS; TERMINATION.

Subd. 11. **Unrequested leave of absence.** The board may place on unrequested leave of absence, without pay or fringe benefits, as many teachers as may be necessary because of discontinuance of position, lack of pupils, financial limitations, or merger of classes caused by consolidation of districts. The unrequested leave is effective at the close of the school year. In placing teachers on unrequested leave, the board is governed by the following provisions:

(a) The board may place probationary teachers on unrequested leave first in the inverse order of their employment. A teacher who has acquired continuing contract rights must not be placed on unrequested leave of absence while probationary teachers are retained in positions for which the teacher who has acquired continuing contract rights is licensed;

(b) Teachers who have acquired continuing contract rights shall be placed on unrequested leave of absence in fields in which they are licensed in the inverse order in which they were employed by the school district. In the case of equal seniority, the order in which teachers who have acquired continuing contract rights shall be placed on unrequested leave of absence in fields in which they are licensed is negotiable;

(c) Notwithstanding the provisions of paragraph (b), a teacher is not entitled to exercise any seniority when that exercise results in that teacher being retained by the district in a field for which the teacher holds only a provisional license, as defined by the board of teaching, unless that exercise of seniority results in the placement on unrequested leave of absence of another teacher who also holds a provisional license in the same field. The provisions of this paragraph do not apply to vocational education licenses;

(d) Notwithstanding paragraphs (a), (b), and (c), if the placing of a probationary teacher on unrequested leave before a teacher who has acquired continuing rights, the placing of a teacher who has acquired continuing contract rights on unrequested leave before another teacher who has acquired continuing contract rights but who has greater seniority, or the restriction imposed by the provisions of paragraph (c) would place the district in violation of its affirmative action program, the district may retain the probationary teacher, the teacher with less seniority, or the provisionally licensed teacher;

(e) Teachers placed on unrequested leave of absence must be reinstated to the positions from which they have been given leaves of absence or, if not available, to other available positions in the school district in fields in which they are licensed. Reinstatement must be in the inverse order of placement on leave of absence. A teacher must not be reinstated to a position in a field in which the teacher holds only a provisional license, other than a vocational education license, while another teacher who holds a nonprovisional license in the same field remains on unrequested leave. The order of reinstatement of teachers who have equal seniority and who are placed on unrequested leave in the same school year is negotiable;

(f) Appointment of a new teacher must not be made while there is available, on unrequested leave, a teacher who is properly licensed to fill such vacancy, unless the teacher fails to advise the school board within 30 days of the date of notification that a position is available to that teacher who may return to employment and assume the duties of the position to which appointed on a future date determined by the board;

(g) A teacher placed on unrequested leave of absence may engage in teaching or any other occupation during the period of this leave;

(h) The unrequested leave of absence must not impair the continuing contract rights of a teacher or result in a loss of credit for previous years of service;

(i) The unrequested leave of absence of a teacher who is placed on unrequested leave of absence and who is not reinstated shall continue for a period of five years, after which the right to reinstatement shall terminate. The teacher's right to reinstatement shall also terminate if the teacher fails to file with the board by April 1 of any year a written statement requesting reinstatement;

(j) The same provisions applicable to terminations of probationary or continuing contracts in subdivisions 5 and 7 must apply to placement on unrequested leave of absence;

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(k) Nothing in this subdivision shall be construed to impair the rights of teachers placed on unrequested leave of absence to receive unemployment benefits if otherwise eligible.

122A.41 TEACHER TENURE ACT; CITIES OF THE FIRST CLASS; DEFINITIONS.

Subd. 14. **Services terminated by discontinuance or lack of pupils; preference given.**

(a) A teacher whose services are terminated on account of discontinuance of position or lack of pupils must receive first consideration for other positions in the district for which that teacher is qualified. In the event it becomes necessary to discontinue one or more positions, in making such discontinuance, teachers must be discontinued in any department in the inverse order in which they were employed, unless a board and the exclusive representative of teachers in the district negotiate a plan providing otherwise.

(b) Notwithstanding the provisions of clause (a), a teacher is not entitled to exercise any seniority when that exercise results in that teacher being retained by the district in a field for which the teacher holds only a provisional license, as defined by the Board of Teaching, unless that exercise of seniority results in the termination of services, on account of discontinuance of position or lack of pupils, of another teacher who also holds a provisional license in the same field. The provisions of this clause do not apply to vocational education licenses.

(c) Notwithstanding the provisions of clause (a), a teacher must not be reinstated to a position in a field in which the teacher holds only a provisional license, other than a vocational education license, while another teacher who holds a nonprovisional license in the same field is available for reinstatement.

122A.413 EDUCATIONAL IMPROVEMENT PLAN.

Subdivision 1. **Qualifying plan.** A district, intermediate school district, or a cooperative unit, as defined in section 123A.24, subdivision 2, may develop an educational improvement plan for the purpose of qualifying for the alternative teacher professional pay system under section 122A.414. The plan must include measures for improving school district, intermediate school district, cooperative, school site, teacher, and individual student performance.

Subd. 2. **Plan components.** The educational improvement plan must be approved by the school board or governing board and have at least these elements:

(1) assessment and evaluation tools to measure student performance and progress, including the academic literacy, oral academic language, and achievement of English learners, among other measures;

(2) performance goals and benchmarks for improvement;

(3) measures of student attendance and completion rates;

(4) a rigorous research and practice-based professional development system, based on national and state standards of effective teaching practice applicable to all students including English learners with varied needs under section 124D.59, subdivisions 2 and 2a, and consistent with section 122A.60, that is aligned with educational improvement and designed to achieve ongoing and schoolwide progress and growth in teaching practice;

(5) measures of student, family, and community involvement and satisfaction;

(6) a data system about students and their academic progress that provides parents and the public with understandable information;

(7) a teacher induction and mentoring program for probationary teachers that provides continuous learning and sustained teacher support; and

(8) substantial participation by the exclusive representative of the teachers in developing the plan.

Subd. 3. **School site accountability.** A district or intermediate school district that develops a plan under subdivisions 1 and 2 must ensure that each school site develops a board-approved educational improvement plan that is aligned with the district educational improvement plan under subdivision 2 and developed with the exclusive representative of the teachers. While a site plan must be consistent with the district educational improvement plan, it may establish performance goals and benchmarks that meet or exceed those of the district.

122A.74 PRINCIPALS' LEADERSHIP INSTITUTE.

Subdivision 1. **Establishment.** (a) The commissioner of education may contract with the Minnesota State University Mankato or the regents of the University of Minnesota to establish a Principals' Leadership Institute to provide professional development to school principals by:

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(1) creating a network of leaders in the educational and business communities to communicate current and future trends in leadership techniques;

(2) helping to create a vision for the school that is aligned with the community and district priorities;

(3) developing strategies to retain highly qualified teachers and ensure that diverse student populations, including at-risk students, children with disabilities, English learners, and gifted students, among others, have equal access to these highly qualified teachers; and

(4) providing training to analyze data using culturally competent tools.

(b) The University of Minnesota must cooperate with participating members of the business community to provide funding and content for the institute.

(c) Participants must agree to attend the Principals' Leadership Institute for four weeks during the academic summer.

(d) The Principals' Leadership Institute must incorporate program elements offered by leadership programs at the University of Minnesota and program elements used by the participating members of the business community to enhance leadership within their businesses.

Subd. 2. **Method of selection and requirements.** (a) The board of each school district in the state may select a principal, upon the recommendation of the district's superintendent and based on the principal's leadership potential, to attend the institute.

(b) The school board annually shall forward its list of recommended participants to the commissioner by February 1. In addition, a principal may submit an application directly to the commissioner by February 1. The commissioner shall notify the school board, the principal candidates, and the University of Minnesota of the principals selected to participate in the Principals' Leadership Institute each year.

123B.60 BUILDING BONDS FOR CALAMITIES.

Subd. 2. **Health and safety revenue.** For any fiscal year where the total amount of health and safety revenue is limited, the commissioner must award highest priority to health and safety revenue pledged to repay building bonds issued under subdivision 1.

123B.79 PERMANENT FUND TRANSFERS.

Subd. 2. **Technical colleges.** Money must not be transferred from the postsecondary general fund to any other operating or nonoperating fund.

Subd. 6. **Account transfer for statutory operating debt.** On June 30 of each year, a district may make a permanent transfer from the general fund account entitled "net unreserved general fund balance since statutory operating debt" to the account entitled "reserved fund balance reserve account for purposes of statutory operating debt reduction." The amount of the transfer is limited to the net unreserved general fund balance. If the net unreserved general fund balance is less than zero, the district may not make a transfer.

3535.0110 DEFINITIONS.

Subp. 6. **Racially identifiable school within a district.** "Racially identifiable school within a district" means a school where the enrollment of protected students at the school within a district is more than 20 percentage points above the enrollment of protected students in the entire district for the grade levels served by that school.

3535.0110 DEFINITIONS.

Subp. 7. **Racially isolated school district.** "Racially isolated school district" means a district where the districtwide enrollment of protected students exceeds the enrollment of protected students of any adjoining district by more than 20 percentage points.

3535.0110 DEFINITIONS.

Subp. 8. **School.** "School" means a site in a public school district serving any of kindergarten through grade 12. For purposes of parts 3535.0160 to 3535.0180 only, school does not mean:

- A. charter schools under Minnesota Statutes, chapter 124E;
- B. area learning centers under Minnesota Statutes, section 123A.05;
- C. public alternative programs under Minnesota Statutes, section 126C.05, subdivision 15;
- D. contracted alternative programs under Minnesota Statutes, section 124D.69;
- E. school sites specifically designed to address limited English proficiency;
- F. school sites specifically designed to address the needs of students with an individualized education program (IEP); and
- G. secure and nonsecure treatment facilities licensed by the Department of Human Services or the Department of Corrections.