

SENATE
STATE OF MINNESOTA
EIGHTY-NINTH SESSION

S.F. No. 2744

(SENATE AUTHORS: WIGER)

DATE	D-PG	OFFICIAL STATUS
03/14/2016	5041	Introduction and first reading Referred to Education
04/06/2016	5524a 5702	Comm report: To pass as amended Second reading
04/27/2016		Special Order: Amended Third reading Passed Reconsidered Third reading Passed

A bill for an act

1.1 relating to education; providing for early childhood and prekindergarten through
1.2 grade 12 education, including general education, education excellence, charter
1.3 schools, special education, facilities and technology, and self-sufficiency and
1.4 lifelong learning; teachers; early childhood; charter school recodification;
1.5 amending Minnesota Statutes 2014, sections 120B.11, as amended; 120B.12,
1.6 subdivisions 2, 3; 120B.15; 120B.30, by adding a subdivision; 120B.31,
1.7 subdivision 5, by adding a subdivision; 120B.35, subdivisions 1, 2, 3; 120B.36,
1.8 as amended; 122A.09, as amended; 122A.16; 122A.18, as amended; 122A.21, as
1.9 amended; 122A.245, as amended; 122A.26, subdivision 2; 122A.31, subdivision
1.10 3; 122A.4144; 122A.416; 122A.72, subdivision 5; 122A.74, subdivision 1;
1.11 123A.24, subdivision 2; 123B.147, subdivision 3; 123B.52, subdivision 1;
1.12 123B.571, subdivision 2; 123B.60, subdivision 1; 123B.71, subdivision 8;
1.13 123B.79, subdivisions 5, 8, 9; 124D.03, subdivision 5a; 124D.09, subdivision
1.14 10; 124D.15, subdivisions 3a, 15; 124D.52, subdivisions 1, 2; 124D.861, as
1.15 amended; 125A.091, subdivision 11; 125A.0942, subdivision 4; 126C.40,
1.16 subdivision 5; 126C.63, subdivision 7; 127A.095; Minnesota Statutes 2015
1.17 Supplement, sections 120B.125; 120B.301; 122A.23; 122A.30; 122A.40,
1.18 subdivision 8; 122A.41, subdivision 5; 122A.414, subdivisions 1, 2, 2b, 3;
1.19 122A.60, subdivisions 1, 4; 123B.53, subdivision 1; 123B.595, subdivisions 4,
1.20 7, 8, 9, 10, 11, by adding a subdivision; 124D.165, subdivision 2; 124D.231,
1.21 subdivision 2; 124D.73, subdivision 4; 124E.01; 124E.02; 124E.03; 124E.05;
1.22 124E.06; 124E.07; 124E.08; 124E.10; 124E.12; 124E.13; 124E.15; 124E.16;
1.23 124E.17; 124E.22; 124E.24; 124E.25; 124E.26; 125A.08; 125A.0942,
1.24 subdivision 3; 125A.63, subdivision 4; 126C.48, subdivision 8; 127A.05,
1.25 subdivision 6; 136A.1791, subdivisions 1, 3; Laws 2015, First Special Session
1.26 chapter 3, article 1, section 24; proposing coding for new law in Minnesota
1.27 Statutes, chapters 120B; 123B; repealing Minnesota Statutes 2014, sections
1.28 120B.299, subdivision 5; 120B.35, subdivision 4; 122A.245, subdivision
1.29 8; 122A.413, subdivision 3; 122A.43, subdivision 6; 123B.06; 123B.60,
1.30 subdivision 2; 123B.79, subdivisions 2, 6; 127A.51; Minnesota Statutes 2015
1.31 Supplement, section 122A.413, subdivisions 1, 2.

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

2.1 **ARTICLE 1**

2.2 **GENERAL EDUCATION**

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

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

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

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

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

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

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

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

2.13 Sec. 2. Laws 2015, First Special Session chapter 3, article 1, section 24, is amended to
2.14 read:

2.15 Sec. 24. **COMPENSATORY REVENUE; INTERMEDIATE DISTRICT.**

2.16 For the ~~2015-2016~~ 2016-2017 school year only, for an intermediate district formed
2.17 under Minnesota Statutes, section 136D.41, the department must calculate compensatory
2.18 revenue based on the October 1, ~~2014~~ 2015, enrollment counts for the ~~South~~ SouthWest
2.19 Metro Educational Cooperative.

2.20 Sec. 3. **VOLUNTARY BOUNDARY ALIGNMENT; MOORHEAD AND**
2.21 **DILWORTH-GLYNDON-FELTON.**

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

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

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

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

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

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

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

3.15 Subd. 4. **County auditor notified.** After adoption of the plan, each school board
3.16 must provide a copy of the plan to the county auditor. The county auditor may request
3.17 any other necessary information from the school districts to effect the transfer of parcels
3.18 between the school districts. Each year, the school districts must notify the county auditor
3.19 of what block of parcels, if any, will be transferred between the two school districts. The
3.20 county auditor must notify each affected property owner of the boundary change.

3.21 Subd. 5. **Report to commissioner of education.** Upon adoption of the plan, the
3.22 school boards must submit a copy of the plan to the commissioner of education. The
3.23 districts must also provide any additional information necessary for computing school
3.24 aids and levies to the commissioner of education in the form and manner requested by
3.25 the department.

3.26 **EFFECTIVE DATE.** This section is effective the day after the school boards of
3.27 Independent School Districts Nos. 152, Moorhead, and 2164, Dilworth-Glyndon-Felton,
3.28 and their respective chief clerical officers timely comply with Minnesota Statutes, section
3.29 645.021, subdivisions 2 and 3.

3.30 Sec. 4. **REPEALER.**

3.31 Minnesota Statutes 2014, section 127A.51, is repealed, effective July 1, 2016.

4.1 **ARTICLE 2**4.2 **EDUCATION EXCELLENCE**

4.3 Section 1. Minnesota Statutes 2014, section 120B.11, subdivision 1a, is amended to
4.4 read:

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

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

4.9 ~~(2)~~ (1) the size of the academic achievement gap, rigorous course taking under
4.10 section 120B.35, subdivision 3, paragraph (c), clause (2), and enrichment experiences by
4.11 student subgroup;

4.12 ~~(3)~~ (2) student performance on the Minnesota Comprehensive Assessments;

4.13 ~~(4)~~ (3) high school graduation rates; and

4.14 ~~(5)~~ (4) career and college readiness under section 120B.30, subdivision 1.

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

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

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

4.22 (2) a process for assessing and evaluating each student's progress toward meeting
4.23 state and local academic standards, assessing and identifying students for participation in
4.24 gifted and talented programs and acceleration and early-admission procedures consistent
4.25 with section 120B.15, and identifying the strengths and weaknesses of instruction in
4.26 pursuit of student and school success and curriculum affecting students' progress and
4.27 growth toward career and college readiness and leading to the world's best workforce;

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

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

5.1 (5) a process to examine the equitable distribution of teachers and strategies to
 5.2 ensure that low-income and minority children are not taught at higher rates than other
 5.3 children by inexperienced, ineffective, or out-of-field teachers, consistent with section
 5.4 1111(b)(8)(C) of the Elementary and Secondary Education Act;

5.5 ~~(5)~~ (6) education effectiveness practices that integrate high-quality instruction,
 5.6 rigorous curriculum, technology, and a collaborative professional culture that develops
 5.7 and supports teacher quality, performance, and effectiveness; and

5.8 ~~(6)~~ (7) an annual budget for continuing to implement the district plan.

5.9 Sec. 3. Minnesota Statutes 2014, section 120B.11, subdivision 4, is amended to read:

5.10 Subd. 4. **Site team.** A school ~~may~~ must establish a site team to develop and
 5.11 implement strategies and education effectiveness practices to improve instruction,
 5.12 curriculum, cultural competencies, including cultural awareness and cross-cultural
 5.13 communication, and student achievement at the school site, consistent with subdivision
 5.14 2. The site team must include an equal number of teachers and administrators, as well
 5.15 as at least one parent. The site team advises the board and the advisory committee
 5.16 about developing the annual budget and ~~revising~~ creates an instruction and curriculum
 5.17 improvement plan that aligns curriculum, assessment of student progress, and growth in
 5.18 meeting state and district academic standards and instruction.

5.19 Sec. 4. Minnesota Statutes 2014, section 120B.11, subdivision 5, is amended to read:

5.20 Subd. 5. **Report.** Consistent with requirements for school performance reports
 5.21 under section 120B.36, subdivision 1, the school board shall publish a report in the local
 5.22 newspaper with the largest circulation in the district, by mail, or by electronic means on the
 5.23 district Web site. The school board shall hold an annual public meeting to review, and revise
 5.24 where appropriate; (1) student achievement goals; (2) local assessment outcomes; (3)
 5.25 plans, strategies, and practices for improving curriculum and instruction and; (4) cultural
 5.26 competency; (5) the process to examine equitable distribution of effective, experienced,
 5.27 and in-field teachers; and ~~to review~~ (6) district success in realizing the previously adopted
 5.28 student achievement goals and related benchmarks and the improvement plans leading to
 5.29 the world's best workforce. The school board must transmit an electronic summary of its
 5.30 report to the commissioner in the form and manner the commissioner determines.

5.31 Sec. 5. Minnesota Statutes 2014, section 120B.12, subdivision 2, is amended to read:

5.32 Subd. 2. **Identification; report.** For the 2011-2012 school year and later, each
 5.33 school district shall identify before the end of kindergarten, grade 1, and grade 2 students

6.1 who are not reading at grade level before the end of the current school year. Reading
 6.2 assessments in English, and in the predominant languages of district students where
 6.3 practicable, must identify and evaluate students' areas of academic need related to literacy.
 6.4 The district also must monitor the progress and provide reading instruction appropriate
 6.5 to the specific needs of English learners. The district must use a locally adopted,
 6.6 developmentally appropriate, and culturally responsive assessment and annually report
 6.7 summary assessment results and a summary of the district's efforts to evaluate and identify
 6.8 students with dyslexia or convergence insufficiency disorder to the commissioner by July 1.

6.9 Sec. 6. Minnesota Statutes 2014, section 120B.12, subdivision 3, is amended to read:

6.10 Subd. 3. **Intervention.** For each student identified under subdivision 2, the
 6.11 district shall provide reading intervention to accelerate student growth and reach the
 6.12 goal of reading at or above grade level by the end of the current grade and school year.
 6.13 District intervention methods shall encourage family engagement and, where possible,
 6.14 collaboration with appropriate school and community programs. Intervention methods
 6.15 may include, but are not limited to, requiring attendance in summer school, intensified
 6.16 reading instruction that may require that the student be removed from the regular
 6.17 classroom for part of the school day, evaluation for dyslexia or convergence insufficiency
 6.18 disorder, extended-day programs, or programs that strengthen students' cultural
 6.19 connections. A student, other than a student under an individualized education program
 6.20 (IEP), who is unable to demonstrate grade-level proficiency as measured by the statewide
 6.21 reading assessment in grade 3 shall receive a personal learning plan in a format determined
 6.22 by the school or school district in consultation with classroom teachers, and developed
 6.23 and updated as needed in consultation, to the extent practicable, with the student and
 6.24 the student's parents by the classroom teachers and other qualified school professionals
 6.25 involved with the student's elementary school progress. A personal learning plan shall
 6.26 address knowledge gaps and skill deficiencies through strategies such as specific exercises
 6.27 and practices during and outside of the regular school days, periodic assessments and
 6.28 timelines, and may include grade retention, if necessary, to meet the student's best interests.

6.29 Sec. 7. Minnesota Statutes 2015 Supplement, section 120B.125, is amended to read:

6.30 **120B.125 PLANNING FOR STUDENTS' SUCCESSFUL TRANSITION**
 6.31 **TO POSTSECONDARY EDUCATION AND EMPLOYMENT; PERSONAL**
 6.32 **LEARNING PLANS.**

6.33 (a) Consistent with sections 120B.13, 120B.131, 120B.132, 120B.14, 120B.15,
 6.34 120B.30, subdivision 1, paragraph (c), 125A.08, and other related sections, school

7.1 districts, beginning in the 2013-2014 school year, must assist all students by no later
7.2 than grade 9 to explore their educational, college, and career interests, aptitudes, and
7.3 aspirations and develop a plan for a smooth and successful transition to postsecondary
7.4 education or employment. All students' plans must:

7.5 (1) provide a comprehensive plan to prepare for and complete a career and college
7.6 ready curriculum by meeting state and local academic standards and developing career and
7.7 employment-related skills such as team work, collaboration, creativity, communication,
7.8 critical thinking, and good work habits;

7.9 (2) emphasize academic rigor and high expectations, and inform the student and
7.10 their parent or guardian, if the student is a minor, of the student's achievement level score
7.11 on the Minnesota Comprehensive Assessments that are administered during high school;

7.12 (3) help students identify interests, aptitudes, aspirations, and personal learning
7.13 styles that may affect their career and college ready goals and postsecondary education
7.14 and employment choices;

7.15 (4) set appropriate career and college ready goals with timelines that identify
7.16 effective means for achieving those goals;

7.17 (5) help students access education and career options;

7.18 (6) integrate strong academic content into career-focused courses and applied and
7.19 experiential learning opportunities and integrate relevant career-focused courses and
7.20 applied and experiential learning opportunities into strong academic content;

7.21 (7) help identify and access appropriate counseling and other supports and assistance
7.22 that enable students to complete required coursework, prepare for postsecondary education
7.23 and careers, and obtain information about postsecondary education costs and eligibility
7.24 for financial aid and scholarship;

7.25 (8) help identify collaborative partnerships among prekindergarten through grade
7.26 12 schools, postsecondary institutions, economic development agencies, and local and
7.27 regional employers that support students' transition to postsecondary education and
7.28 employment and provide students with applied and experiential learning opportunities; and

7.29 (9) be reviewed and revised at least annually by the student, the student's parent or
7.30 guardian, and the school or district to ensure that the student's course-taking schedule keeps
7.31 the student making adequate progress to meet state and local academic standards and high
7.32 school graduation requirements and with a reasonable chance to succeed with employment
7.33 or postsecondary education without the need to first complete remedial course work.

7.34 (b) A school district may develop grade-level curricula or provide instruction that
7.35 introduces students to various careers, but must not require any curriculum, instruction,
7.36 or employment-related activity that obligates an elementary or secondary student to

8.1 involuntarily select or pursue a career, career interest, employment goals, or related job
8.2 training.

8.3 (c) Educators must possess the knowledge and skills to effectively teach all English
8.4 learners in their classrooms. School districts must provide appropriate curriculum,
8.5 targeted materials, professional development opportunities for educators, and sufficient
8.6 resources to enable English learners to become career and college ready.

8.7 (d) When assisting students in developing a plan for a smooth and successful
8.8 transition to postsecondary education and employment, districts must recognize the unique
8.9 possibilities of each student and ensure that the contents of each student's plan reflect the
8.10 student's unique talents, skills, and abilities as the student grows, develops, and learns.

8.11 (e) Students who do not meet or exceed Minnesota academic standards, as measured
8.12 by the Minnesota Comprehensive Assessments that are administered during high school,
8.13 shall be informed that admission to a public school is free and available to any resident
8.14 under 21 years of age or who meets the requirements of section 120A.20, subdivision 1,
8.15 paragraph (c). A student's plan under this section shall continue while the student is
8.16 enrolled.

8.17 Sec. 8. Minnesota Statutes 2014, section 120B.15, is amended to read:

8.18 **120B.15 GIFTED AND TALENTED STUDENTS PROGRAMS.**

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

8.22 (b) School districts must adopt guidelines for assessing and identifying students for
8.23 participation in gifted and talented programs consistent with section 120B.11, subdivision
8.24 2, clause (2). The guidelines should include the use of:

8.25 (1) multiple and objective criteria; and

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

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

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

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

9.1 (d) School districts must adopt procedures consistent with section 124D.02,
 9.2 subdivision 1, for early admission to kindergarten or first grade of gifted and talented
 9.3 learners consistent with section 120B.11, subdivision 2, clause (2). The procedures must
 9.4 be sensitive to underrepresented groups.

9.5 Sec. 9. Minnesota Statutes 2014, section 120B.30, is amended by adding a subdivision
 9.6 to read:

9.7 Subd. 6. **Retaliation prohibited.** A report to the commissioner concerning service
 9.8 disruptions and technical interruptions to the assessments under this section is subject to
 9.9 the protection of section 181.932, governing disclosure of information by employees.

9.10 Sec. 10. Minnesota Statutes 2015 Supplement, section 120B.301, is amended to read:

9.11 **120B.301 LIMITS ON LOCAL TESTING.**

9.12 (a) For students in grades 1 through 6, the cumulative total amount of time spent
 9.13 taking locally adopted districtwide or schoolwide assessments must not exceed ten hours
 9.14 per school year. For students in grades 7 through 12, the cumulative total amount of time
 9.15 spent taking locally adopted districtwide or schoolwide assessments must not exceed 11
 9.16 hours per school year. For purposes of this paragraph, International Baccalaureate and
 9.17 Advanced Placement exams are not considered locally adopted assessments.

9.18 (b) A district or charter school is exempt from the requirements of paragraph (a),
 9.19 if the district or charter school, in consultation with the exclusive representative of the
 9.20 teachers or other teachers if there is no exclusive representative of the teachers, decides
 9.21 to exceed a time limit in paragraph (a) and includes in the report required under section
 9.22 120B.11, subdivision 5.

9.23 (c) A district or charter school must, prior to the first day of each school year, publish
 9.24 on its Web site a comprehensive calendar of standardized tests to be administered in the
 9.25 district or charter school for that school year. The calendar must provide the rationale for
 9.26 administering each assessment and indicate whether the assessment is a local option, or is
 9.27 required by state or federal law.

9.28 Sec. 11. **[120B.304] SCHOOL DISTRICT ASSESSMENT COMMITTEE.**

9.29 A school district that does not have an agreement between the school board and
 9.30 the exclusive representative of the teachers regarding the selection of assessments must
 9.31 establish a district assessment committee to advise the school board on the standardized
 9.32 assessments administered to students, in addition to the required assessments under
 9.33 section 120B.30 and applicable federal law. The committee must include an equal number

10.1 of teachers and administrators and at least one parent of a student in the district. The
10.2 committee makeup should include at least one representative from each school site in the
10.3 district. The district advisory committee, under section 120B.11, subdivision 3, may
10.4 provide advice to the school board in place of establishing an additional committee for this
10.5 purpose.

10.6 Sec. 12. Minnesota Statutes 2014, section 120B.31, is amended by adding a
10.7 subdivision to read:

10.8 Subd. 4a. **Student participation.** The commissioner shall create and publish a
10.9 form for a parent or guardian to complete if they refuse for their child to participate in
10.10 standardized testing. The form must state why there are academic standards, indicate
10.11 which tests are aligned with those standards, and what consequences, if any, the school
10.12 may face if students do not participate in standardized testing. This form must request
10.13 a reason for the refusal.

10.14 Sec. 13. Minnesota Statutes 2014, section 120B.31, subdivision 5, is amended to read:

10.15 Subd. 5. **Parent Access to information.** To ensure the effective involvement
10.16 of parents and to support a partnership between the school and parents, each district
10.17 shall ~~annually~~ provide parents and teachers a timely written summary, in an electronic
10.18 or other format, of their student's current and longitudinal performance and progress
10.19 on the state's academic content standards as measured by state assessments. Providing
10.20 parents with a summary prepared by the Department of Education fulfills the requirements
10.21 of this subdivision.

10.22 Sec. 14. Minnesota Statutes 2014, section 120B.35, subdivision 1, is amended to read:

10.23 Subdivision 1. **School and student indicators of growth and achievement.**
10.24 The commissioner must develop and implement a system for measuring and reporting
10.25 academic achievement and individual student growth, consistent with the statewide
10.26 educational accountability and reporting system. The system components must measure
10.27 and separately report the ~~adequate yearly progress~~ federal expectations of schools and the
10.28 growth of individual students: students' current achievement in schools under subdivision
10.29 2; and individual students' educational growth over time under subdivision 3. The
10.30 system also must include statewide measures of student academic growth that identify
10.31 schools with high levels of growth, and also schools with low levels of growth that need
10.32 improvement. When determining a school's effect, the data must include both statewide
10.33 measures of student achievement and, to the extent annual tests are administered,

11.1 indicators of achievement growth that take into account a student's prior achievement.
11.2 Indicators of achievement and prior achievement must be based on highly reliable
11.3 statewide or districtwide assessments. Indicators that take into account a student's prior
11.4 achievement must not be used to disregard a school's low achievement or to exclude a
11.5 school from a program to improve low achievement levels.

11.6 Sec. 15. Minnesota Statutes 2014, section 120B.35, subdivision 2, is amended to read:

11.7 Subd. 2. **Federal expectations for student academic achievement.** (a) Each
11.8 school year, a school district must determine if the student achievement levels at each
11.9 school site meet federal expectations. If student achievement levels at a school site do
11.10 not meet federal expectations ~~and the site has not made adequate yearly progress for two~~
11.11 ~~consecutive school years, beginning with the 2001-2002 school year,~~ the district must
11.12 work with the school site to adopt a plan to raise student achievement levels to meet
11.13 federal expectations. The commissioner of education shall establish student academic
11.14 achievement levels to comply with this paragraph.

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

11.20 (c) The commissioner must:

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

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

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

11.27 Sec. 16. Minnesota Statutes 2014, section 120B.35, subdivision 3, is amended to read:

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

11.33 (b) The commissioner, in consultation with a stakeholder group that includes
11.34 assessment and evaluation directors, district staff, experts in culturally responsive teaching,

12.1 and researchers, must implement a model that uses a value-added growth indicator and
 12.2 includes criteria for identifying schools and school districts that demonstrate medium and
 12.3 high growth under section 120B.299, subdivisions 8 and 9, and may recommend other
 12.4 value-added measures under section 120B.299, subdivision 3. The model may be used
 12.5 to advance educators' professional development and replicate programs that succeed in
 12.6 meeting students' diverse learning needs. Data on individual teachers generated under the
 12.7 model are personnel data under section 13.43. The model must allow users to:

- 12.8 (1) report student growth consistent with this paragraph; and
 12.9 (2) for all student categories, report and compare aggregated and disaggregated
 12.10 state growth data using ~~the nine student categories identified under the federal 2001 No~~
 12.11 ~~Child Left Behind Act~~ the student categories identified under the federal Elementary
 12.12 and Secondary Education Act and two student gender categories of male and female,
 12.13 respectively, following appropriate reporting practices to protect nonpublic student data.

12.14 The commissioner must report measures of student growth, consistent with this
 12.15 paragraph, including the English language development, academic progress, and oral
 12.16 academic development of English learners and their native language development if the
 12.17 native language is used as a language of instruction.

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

- 12.22 (1) a preparation measure indicating the number and percentage of high school
 12.23 graduates in the most recent school year who completed course work important to
 12.24 preparing them for postsecondary academic and career opportunities, consistent with
 12.25 the core academic subjects required for admission to Minnesota's public colleges and
 12.26 universities as determined by the Office of Higher Education under chapter 136A; and
 12.27 (2) a rigorous coursework measure indicating the number and percentage of high
 12.28 school graduates in the most recent school year who successfully completed one or more
 12.29 college-level advanced placement, international baccalaureate, postsecondary enrollment
 12.30 options including concurrent enrollment, other rigorous courses of study under section
 12.31 120B.021, subdivision 1a, or industry certification courses or programs.

12.32 When reporting the core measures under clauses (1) and (2), the commissioner must also
 12.33 analyze and report separate categories of information using ~~the nine student categories~~
 12.34 ~~identified under the federal 2001 No Child Left Behind Act~~ the student categories
 12.35 identified under the federal Elementary and Secondary Education Act and two student

13.1 gender categories of male and female, respectively, following appropriate reporting
13.2 practices to protect nonpublic student data.

13.3 (d) When reporting student performance under section 120B.36, subdivision 1, the
13.4 commissioner annually, beginning July 1, 2014, must report summary data on school
13.5 safety and students' engagement and connection at school. The summary data under this
13.6 paragraph are separate from and must not be used for any purpose related to measuring
13.7 or evaluating the performance of classroom teachers. The commissioner, in consultation
13.8 with qualified experts on student engagement and connection and classroom teachers,
13.9 must identify highly reliable variables that generate summary data under this paragraph.
13.10 The summary data may be used at school, district, and state levels only. Any data on
13.11 individuals received, collected, or created that are used to generate the summary data
13.12 under this paragraph are nonpublic data under section 13.02, subdivision 9.

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

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

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

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

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

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

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

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

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

13.30 (f) The commissioner, in consultation with recognized experts with knowledge and
13.31 experience in assessing the language proficiency and academic performance of English
13.32 learners, must identify and report appropriate and effective measures to improve current
13.33 categories of language difficulty and assessments, and monitor and report data on students'
13.34 English proficiency levels, program placement, and academic language development,
13.35 including oral academic language.

14.1 Sec. 17. Minnesota Statutes 2014, section 120B.36, as amended by Laws 2015, First
14.2 Special Session chapter 3, article 2, section 8, is amended to read:

14.3 **120B.36 SCHOOL ACCOUNTABILITY; APPEALS PROCESS.**

14.4 Subdivision 1. **School performance reports.** (a) The commissioner shall report
14.5 student academic performance under section 120B.35, subdivision 2; the percentages of
14.6 students showing low, medium, and high growth under section 120B.35, subdivision
14.7 3, paragraph (b); school safety and student engagement and connection under section
14.8 120B.35, subdivision 3, paragraph (d); rigorous coursework under section 120B.35,
14.9 subdivision 3, paragraph (c); the percentage of students under section 120B.35,
14.10 subdivision 3, paragraph (b), clause (2), whose progress and performance levels are
14.11 meeting career and college readiness benchmarks under sections 120B.30, subdivision 1,
14.12 and 120B.35, subdivision 3, paragraph (e); longitudinal data on the progress of eligible
14.13 districts in reducing disparities in students' academic achievement and realizing racial
14.14 and economic integration under section 124D.861; the acquisition of English, and
14.15 where practicable, native language academic literacy, including oral academic language,
14.16 and the academic progress of English learners under section 124D.59, subdivisions
14.17 2 and 2a; two separate student-to-teacher ratios that clearly indicate the definition of
14.18 teacher consistent with sections 122A.06 and 122A.15 for purposes of determining these
14.19 ratios; staff characteristics excluding salaries; student enrollment demographics; student
14.20 homelessness and district mobility; and extracurricular activities. The report also must
14.21 indicate a school's ~~adequate yearly progress~~ status under applicable federal law, ~~and must~~
14.22 ~~not set any designations applicable to high- and low-performing schools due solely to~~
14.23 ~~adequate yearly progress status.~~

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

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

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

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

15.1 Subd. 2. ~~Adequate yearly progress~~ Federal expectations and other data. All
 15.2 data the department receives, collects, or creates to determine ~~adequate yearly progress~~
 15.3 ~~status~~ federal expectations under ~~Public Law 107-110, section 1116~~ the Elementary
 15.4 and Secondary Education Act, set state growth targets, and determine student growth
 15.5 are nonpublic data under section 13.02, subdivision 9, until the commissioner publicly
 15.6 releases the data. Districts must provide parents sufficiently detailed summary data
 15.7 to permit parents to appeal under ~~Public Law 107-110, section 1116(b)(2)~~ the federal
 15.8 Elementary and Secondary Education Act. The commissioner shall annually post ~~federal~~
 15.9 ~~adequate yearly progress~~ data on federal expectations and state student growth data to
 15.10 the department's public Web site no later than September 1, except that in years when
 15.11 ~~adequate yearly progress~~ data on federal expectations reflects new performance standards,
 15.12 the commissioner shall post ~~federal adequate yearly progress~~ data on federal expectations
 15.13 and state student growth data no later than October 1.

15.14 Sec. 18. Minnesota Statutes 2014, section 122A.16, is amended to read:

15.15 **122A.16 HIGHLY QUALIFIED TEACHER DEFINED.**

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

15.18 (b) ~~For the purposes of the federal No Child Left Behind Act, a highly qualified~~
 15.19 ~~teacher is one who holds a valid license under this chapter, including under section~~
 15.20 ~~122A.245, among other sections and is determined by local administrators as having~~
 15.21 ~~highly qualified status according to the approved Minnesota highly qualified plan.~~
 15.22 ~~Teachers delivering core content instruction must be deemed highly qualified at the local~~
 15.23 ~~level and reported to the state via the staff automated reporting system.~~

15.24 Sec. 19. Minnesota Statutes 2015 Supplement, section 122A.30, is amended to read:

15.25 **122A.30 EXEMPTION FOR TECHNICAL EDUCATION INSTRUCTORS.**

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

15.31 (b) This section expires June 30, 2020.

15.32 Sec. 20. Minnesota Statutes 2015 Supplement, section 122A.414, subdivision 1,
 15.33 is amended to read:

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

16.8 Sec. 21. Minnesota Statutes 2015 Supplement, section 122A.414, subdivision 2,
16.9 is amended to read:

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

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

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

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

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

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

16.28 (ii) measures of student growth and literacy that may include value-added models
16.29 or student learning goals, consistent with section 122A.40, subdivision 8, paragraph
16.30 (b), clause (9), or 122A.41, subdivision 5, paragraph (b), clause (9), and other measures
16.31 that include the academic literacy, oral academic language, and achievement of English
16.32 learners under section 122A.40, subdivision 8, paragraph (b), clause (10), or 122A.41,
16.33 subdivision 5, paragraph (b), clause (10); and

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

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

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

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

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

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

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

17.21 Sec. 22. Minnesota Statutes 2015 Supplement, section 122A.414, subdivision 2b,
 17.22 is amended to read:

17.23 Subd. 2b. **Approval process.** (a) Consistent with the requirements of this section
 17.24 and ~~sections 122A.413 and~~ section 122A.415, the department must prepare and transmit
 17.25 to interested school districts, intermediate school districts, cooperatives, school sites,
 17.26 and charter schools a standard form for applying to participate in the alternative teacher
 17.27 professional pay system. The commissioner annually must establish three dates as
 17.28 deadlines by which interested applicants must submit an application to the commissioner
 17.29 under this section. An interested school district, intermediate school district, cooperative,
 17.30 school site, or charter school must submit to the commissioner a completed application
 17.31 executed by the district superintendent and the exclusive bargaining representative of the
 17.32 teachers if the applicant is a school district, intermediate school district, or school site, or
 17.33 executed by the charter school board of directors if the applicant is a charter school or
 17.34 executed by the governing board if the applicant is a cooperative unit. The application
 17.35 must include the proposed alternative teacher professional pay system agreement under

18.1 subdivision 2. The department must review a completed application within 30 days of
 18.2 the most recent application deadline and recommend to the commissioner whether to
 18.3 approve or disapprove the application. The commissioner must approve applications
 18.4 on a first-come, first-served basis. The applicant's alternative teacher professional pay
 18.5 system agreement must be legally binding on the applicant and the collective bargaining
 18.6 representative before the applicant receives alternative compensation revenue. The
 18.7 commissioner must approve or disapprove an application based on the requirements
 18.8 under subdivisions 2 and 2a.

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

18.16 Sec. 23. Minnesota Statutes 2015 Supplement, section 122A.414, subdivision 3,
 18.17 is amended to read:

18.18 Subd. 3. **Report; continued funding.** (a) Participating districts, intermediate school
 18.19 districts, cooperatives, school sites, and charter schools must report on the implementation
 18.20 and effectiveness of the alternative teacher professional pay system, particularly
 18.21 addressing each requirement under subdivision 2 and make annual recommendations by
 18.22 June 15 to their school boards. ~~The school board, board of directors, or governing board~~
 18.23 ~~shall transmit a copy of the report with a summary of the findings and recommendations~~
 18.24 ~~of the district, intermediate school district, cooperative, school site, or charter school to~~
 18.25 ~~the commissioner in the form and manner determined by the commissioner.~~

18.26 (b) ~~If the commissioner determines that a school district, intermediate school district,~~
 18.27 ~~cooperative, school site, or charter school that receives alternative teacher compensation~~
 18.28 ~~revenue is not complying with the requirements of this section, the commissioner~~
 18.29 ~~may withhold funding from that participant. Before making the determination, the~~
 18.30 ~~commissioner must notify the participant of any deficiencies and provide the participant~~
 18.31 ~~an opportunity to comply. A district must include the report required under paragraph (a)~~
 18.32 ~~as part of the world's best workforce report under section 120B.11, subdivision 5.~~

19.1 Sec. 24. Minnesota Statutes 2014, section 122A.4144, is amended to read:

19.2 **122A.4144 SUPPLEMENTAL AGREEMENTS; ALTERNATIVE TEACHER**
 19.3 **PAY.**

19.4 Notwithstanding section 179A.20 or other law to the contrary, a school board and
 19.5 the exclusive representative of the teachers may agree to reopen a collective bargaining
 19.6 agreement for the purpose of entering into an alternative teacher professional pay system
 19.7 agreement under sections ~~122A.413~~, 122A.414, and 122A.415. Negotiations for a contract
 19.8 reopened under this section must be limited to issues related to the alternative teacher
 19.9 professional pay system.

19.10 Sec. 25. Minnesota Statutes 2014, section 122A.416, is amended to read:

19.11 **122A.416 ALTERNATIVE TEACHER COMPENSATION REVENUE**
 19.12 **FOR PERPICH CENTER FOR ARTS EDUCATION AND MULTIDISTRICT**
 19.13 **INTEGRATION COLLABORATIVES.**

19.14 Notwithstanding sections ~~122A.413~~, 122A.414, 122A.415, and 126C.10,
 19.15 multidistrict integration collaboratives and the Perpich Center for Arts Education are
 19.16 eligible to receive alternative teacher compensation revenue as if they were intermediate
 19.17 school districts. To qualify for alternative teacher compensation revenue, a multidistrict
 19.18 integration collaborative or the Perpich Center for Arts Education must meet all of the
 19.19 requirements of sections ~~122A.413~~, 122A.414, and 122A.415 that apply to intermediate
 19.20 school districts, must report its enrollment as of October 1 of each year to the department,
 19.21 and must annually report its expenditures for the alternative teacher professional pay
 19.22 system consistent with the uniform financial accounting and reporting standards to the
 19.23 department by November 30 of each year.

19.24 Sec. 26. Minnesota Statutes 2015 Supplement, section 122A.60, subdivision 4, is
 19.25 amended to read:

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

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

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

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

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

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

20.13 Sec. 27. Minnesota Statutes 2014, section 122A.72, subdivision 5, is amended to read:

20.14 Subd. 5. **Center functions.** (a) A teacher center shall perform functions according
20.15 to this subdivision. The center shall assist teachers, diagnose learning needs, experiment
20.16 with the use of multiple instructional approaches, assess pupil outcomes, assess staff
20.17 development needs and plans, and teach school personnel about effective pedagogical
20.18 approaches. The center shall develop and produce curricula and curricular materials
20.19 designed to meet the educational needs of pupils being served, by applying educational
20.20 research and new and improved methods, practices, and techniques. The center shall
20.21 provide programs to improve the skills of teachers to meet the special educational needs of
20.22 pupils. The center shall provide programs to familiarize teachers with developments in
20.23 curriculum formulation and educational research, including how research can be used to
20.24 improve teaching skills. The center shall facilitate sharing of resources, ideas, methods,
20.25 and approaches directly related to classroom instruction and improve teachers' familiarity
20.26 with current teaching materials and products for use in their classrooms. The center shall
20.27 provide in-service programs.

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

20.32 (1) high quality professional development programs in mathematics and science that
20.33 address curriculum, instructional methods, alignment of standards, and performance
20.34 measurements, enhance teacher and student learning, and support state mathematics and
20.35 science standards; and

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

21.4 Sec. 28. Minnesota Statutes 2014, section 122A.74, subdivision 1, is amended to read:

21.5 Subdivision 1. **Establishment.** (a) The commissioner of education may contract
 21.6 with the Minnesota State University Mankato or the regents of the University of Minnesota
 21.7 to establish a Principals' Leadership Institute to provide professional development to
 21.8 school principals by:

21.9 (1) creating a network of leaders in the educational and business communities to
 21.10 communicate current and future trends in leadership techniques;

21.11 (2) helping to create a vision for the school that is aligned with the community
 21.12 and district priorities;

21.13 (3) developing strategies to retain highly qualified teachers and ensure that diverse
 21.14 student populations, including at-risk students, children with disabilities, English learners,
 21.15 and gifted students, among others, have equal access to these highly qualified teachers; and

21.16 (4) providing training to analyze data using culturally competent tools.

21.17 (b) The University of Minnesota must cooperate with participating members of the
 21.18 business community to provide funding and content for the institute.

21.19 (c) Participants must agree to attend the Principals' Leadership Institute for four
 21.20 weeks during the academic summer.

21.21 (d) The Principals' Leadership Institute must incorporate program elements offered
 21.22 by leadership programs at the University of Minnesota and program elements used by
 21.23 the participating members of the business community to enhance leadership within their
 21.24 businesses.

21.25 Sec. 29. Minnesota Statutes 2014, section 124D.03, subdivision 5a, is amended to read:

21.26 Subd. 5a. **Lotteries.** If a school district has more applications than available seats at
 21.27 a specific grade level, it must hold an impartial lottery following the January 15 deadline
 21.28 to determine which students will receive seats. Siblings of currently enrolled students ~~and~~₂
 21.29 applications related to an approved integration and achievement plan, and children of the
 21.30 school district's staff must receive priority in the lottery. The process for the school district
 21.31 lottery must be established in school district policy, approved by the school board, and
 21.32 posted on the school district's Web site.

21.33 **EFFECTIVE DATE.** This section is effective the day following final enactment for
 21.34 nonresident pupil applications not yet accepted or rejected by the school district.

22.1 Sec. 30. Minnesota Statutes 2014, section 124D.15, subdivision 3a, is amended to read:

22.2 Subd. 3a. **Application and reporting requirements.** (a) A school readiness
 22.3 program provider must ~~submit~~ include a biennial plan ~~for approval by the commissioner~~
 22.4 ~~before receiving aid under section 124D.16.~~ The plan must describe in the district's
 22.5 world's best workforce plan under section 120B.11, describing how the school readiness
 22.6 program meets the program requirements under subdivision 3. ~~A school district by April 1~~
 22.7 ~~must submit the plan for approval by the commissioner in the form and manner prescribed~~
 22.8 ~~by the commissioner. One-half the districts must first submit the plan by April 1, 2006,~~
 22.9 ~~and one-half the districts must first submit the plan by April 1, 2007, as determined by~~
 22.10 ~~the commissioner.~~

22.11 (b) Programs receiving school readiness funds annually must submit a report to
 22.12 the department.

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

22.14 Sec. 31. Minnesota Statutes 2015 Supplement, section 124D.231, subdivision 2,
 22.15 is amended to read:

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

22.19 (1) the school is on a development plan for continuous improvement under section
 22.20 120B.35, subdivision 2; or

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

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

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

22.29 (d) The commissioner shall dispense the funds to schools with significant populations
 22.30 of students receiving free or reduced-price lunches. Schools with significant homeless and
 22.31 highly mobile students shall also be a priority. The commissioner must also dispense the
 22.32 funds in a manner to ensure equity among urban, suburban, and greater Minnesota schools.

22.33 (e) A school site must establish a school leadership team responsible for developing
 22.34 school-specific programming goals, assessing program needs, and overseeing the process

23.1 of implementing expanded programming at each covered site. The school leadership team
23.2 shall have between 12 to 15 members and shall meet the following requirements:

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

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

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

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

23.16 (i) identification of challenges facing the school;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

24.22 (1) early childhood:

24.23 (i) early childhood education; and

24.24 (ii) child care services;

24.25 (2) academic:

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

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

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

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

24.31 (v) specialized instructional support services;

24.32 (3) parental involvement:

24.33 (i) programs that promote parental involvement and family literacy, ~~including the~~
 24.34 ~~Reading First and Early Reading First programs authorized under part B of title I of the~~
 24.35 ~~Elementary and Secondary Education Act of 1965, United States Code, title 20, section~~
 24.36 ~~6361, et seq.;~~

- 25.1 (ii) parent leadership development activities; and
- 25.2 (iii) parenting education activities;
- 25.3 (4) mental and physical health:
- 25.4 (i) mentoring and other youth development programs, including peer mentoring and
- 25.5 conflict mediation;
- 25.6 (ii) juvenile crime prevention and rehabilitation programs;
- 25.7 (iii) home visitation services by teachers and other professionals;
- 25.8 (iv) developmentally appropriate physical education;
- 25.9 (v) nutrition services;
- 25.10 (vi) primary health and dental care; and
- 25.11 (vii) mental health counseling services;
- 25.12 (5) community involvement:
- 25.13 (i) service and service-learning opportunities;
- 25.14 (ii) adult education, including instruction in English as a second language; and
- 25.15 (iii) homeless prevention services;
- 25.16 (6) positive discipline practices; and
- 25.17 (7) other programming designed to meet school and community needs identified in
- 25.18 the baseline analysis and reflected in the full-service community school plan.
- 25.19 (h) The school leadership team at each school site must develop a full-service
- 25.20 community school plan detailing the steps the school leadership team will take, including:
- 25.21 (1) timely establishment and consistent operation of the school leadership team;
- 25.22 (2) maintenance of attendance records in all programming components;
- 25.23 (3) maintenance of measurable data showing annual participation and the impact
- 25.24 of programming on the participating children and adults;
- 25.25 (4) documentation of meaningful and sustained collaboration between the school
- 25.26 and community stakeholders, including local governmental units, civic engagement
- 25.27 organizations, businesses, and social service providers;
- 25.28 (5) establishment and maintenance of partnerships with institutions, such as
- 25.29 universities, hospitals, museums, or not-for-profit community organizations to further the
- 25.30 development and implementation of community school programming;
- 25.31 (6) ensuring compliance with the district nondiscrimination policy; and
- 25.32 (7) plan for school leadership team development.

25.33 Sec. 32. Minnesota Statutes 2015 Supplement, section 124D.73, subdivision 4, is

25.34 amended to read:

26.1 Subd. 4. **Participating school; American Indian school.** "Participating school"
 26.2 and "American Indian school" mean a school that:

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

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

26.6 Sec. 33. Minnesota Statutes 2014, section 127A.095, is amended to read:

26.7 **127A.095 IMPLEMENTATION OF NO CHILD LEFT BEHIND ACT**
 26.8 **ELEMENTARY AND SECONDARY EDUCATION ACT.**

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

26.12 ~~Subd. 2. **No Child Left Behind review.** (a) The legislature intends to require~~
 26.13 ~~the Department of Education to conduct a comprehensive review of the consolidated~~
 26.14 ~~state plan the state submitted to the federal Department of Education to implement the~~
 26.15 ~~No Child Left Behind Act. The Minnesota Department of Education shall seek waivers~~
 26.16 ~~under paragraph (b). If the Department of Education is unable to obtain waivers under~~
 26.17 ~~paragraph (b), it should recommend in its report under paragraph (b) whether the state~~
 26.18 ~~should opt out of the No Child Left Behind Act.~~

26.19 ~~(b) The commissioner, by January 15, 2008, shall report to the house of~~
 26.20 ~~representatives and senate committees having jurisdiction over kindergarten through grade~~
 26.21 ~~12 education policy and finance whether the department has received approval from~~
 26.22 ~~the federal Department of Education to:~~

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

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

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

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

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

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

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

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

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

27.14 Sec. 34. **STUDENT DISCIPLINE WORKING GROUP.**

27.15 (a) A Student Discipline Working Group is created to review the substance,
 27.16 application, and effect of Minnesota's Pupil Fair Dismissal Act under Minnesota Statutes,
 27.17 sections 121A.40 to 121A.56, and related student discipline provisions in Minnesota
 27.18 Statutes, chapter 121A, and submit written recommendations to the chairs and ranking
 27.19 minority members of the committees in the house of representatives and the senate with
 27.20 jurisdiction over education by February 1, 2017, on improving disciplinary policies,
 27.21 practices, and procedures as they affect students and school officials and the effects on
 27.22 student outcomes.

27.23 (b) Consistent with paragraph (a), the working group must analyze:

27.24 (1) available summary data on elementary and secondary students' removal from
 27.25 class, suspensions, exclusions, and expulsions, disaggregated by categories of race,
 27.26 ethnicity, poverty, disabilities, homelessness, English language proficiency, gender, age,
 27.27 and foster care status;

27.28 (2) the meaning and effect of "willful" in establishing grounds for dismissal under
 27.29 Minnesota Statutes, section 121A.45;

27.30 (3) the impact of student misconduct on teacher safety;

27.31 (4) the impact of established policies and due process procedures on teacher safety
 27.32 and student outcomes;

27.33 (5) students' need for and access to professional support service providers such
 27.34 as school counselors, school social workers, school psychologists, and mental health
 27.35 professionals;

28.1 (6) the presence of school resource officers in school buildings, their role in effecting
 28.2 student discipline, and their impact on teacher safety and student outcomes;

28.3 (7) policies for retaining and destroying student disciplinary data;

28.4 (8) best practices for school discipline; and

28.5 (9) other related school discipline matters that are of concern to working group
 28.6 members.

28.7 (c) The working group consists of 21 members. By June 1, 2016, the executive
 28.8 director of each of the following organizations shall appoint one representative of
 28.9 that organization to serve as a member of the working group: the Minnesota School
 28.10 Boards Association; the Minnesota Association of School Administrators; Education
 28.11 Minnesota; the Minnesota Board of Peace Officer Standards and Training; the Minnesota
 28.12 Disability Law Center; the National Alliance of Mental Illness Minnesota; the Minnesota
 28.13 Association of Secondary School Principals; the Minnesota Elementary School Principals'
 28.14 Association; the Association of Metropolitan School Districts; the Minnesota Rural
 28.15 Education Association; the Minnesota School Counselors Association; the Minnesota
 28.16 School Psychologists Association; the Parent Advocacy Coalition for Educational Rights;
 28.17 Minnesota Administrators for Special Education; Schools for Equity in Education;
 28.18 Minnesota Education Equity Partnership; Educators for Excellence; the School Nurse
 28.19 Organization of Minnesota; the Minnesota Association of Charter Schools; the Minnesota
 28.20 Youth Council; and the Minnesota School Social Workers Association. Working
 28.21 group members must seek advice from experts and stakeholders in developing their
 28.22 recommendations.

28.23 (d) The commissioner of education, or the commissioner's designee, must convene
 28.24 the first meeting of the working group. The working group must select a chair or co-chairs
 28.25 from among its members at the first meeting. The working group must meet periodically.
 28.26 The commissioner must provide technical and administrative assistance to the working
 28.27 group upon request. Working group members are not eligible to receive expenses or per
 28.28 diem payments for serving on the working group.

28.29 (e) The working group expires February 2, 2017.

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

28.31 **Sec. 35. ASSESSMENT REPORT.**

28.32 By January 1, 2017, the commissioner of education must report to the chairs
 28.33 and ranking minority members of the legislative committees having jurisdiction
 28.34 over kindergarten through grade 12 education on whether to replace the Minnesota
 28.35 Comprehensive Assessments (MCAs) that are administered to high school students with a

29.1 nationally recognized college entrance exam. The report must include the reason for the
 29.2 recommendation. If the recommendation is to replace the MCAs, then the commissioner
 29.3 must include in the report which nationally recognized college entrance exam should be
 29.4 used as the replacement assessment, in what grade or grades the assessment should be
 29.5 administered, and the cost for using the nationally recognized college entrance exam.

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

29.7 Sec. 36. **REPEALER.**

29.8 (a) Minnesota Statutes 2014, sections 120B.299, subdivision 5; 120B.35, subdivision
 29.9 4; 122A.413, subdivision 3; 122A.43, subdivision 6; and 123B.06, are repealed.

29.10 (b) Minnesota Statutes 2015 Supplement, section 122A.413, subdivisions 1 and
 29.11 2, are repealed.

29.12 **ARTICLE 3**

29.13 **CHARTER SCHOOLS**

29.14 Section 1. Minnesota Statutes 2015 Supplement, section 124E.05, subdivision 1, is
 29.15 amended to read:

29.16 Subdivision 1. **Eligible authorizers.** The following organizations may authorize
 29.17 one or more charter schools:

29.18 (1) a school board, intermediate school district school board, or education district
 29.19 organized under sections 123A.15 to 123A.19;

29.20 (2) a charitable organization under section 501(c)(3) of the Internal Revenue Code
 29.21 of 1986, excluding a nonpublic sectarian or religious institution; any person other than a
 29.22 natural person that directly or indirectly, through one or more intermediaries, controls,
 29.23 is controlled by, or is under common control with the nonpublic sectarian or religious
 29.24 institution; and any other charitable organization under this clause that in the federal IRS
 29.25 Form 1023, Part IV, describes activities indicating a religious purpose, that:

29.26 ~~(i) is a member of the Minnesota Council of Nonprofits or the Minnesota Council on~~
 29.27 ~~Foundations;~~

29.28 ~~(ii)~~ is registered with the attorney general's office; and

29.29 ~~(iii)~~ (ii) is incorporated in the state of Minnesota and has been operating continuously
 29.30 for at least five years but does not operate a charter school;

29.31 (3) a Minnesota private college, notwithstanding clause (2), that grants two- or
 29.32 four-year degrees and is registered with the Minnesota Office of Higher Education under
 29.33 chapter 136A; community college, state university, or technical college governed by the

30.1 Board of Trustees of the Minnesota State Colleges and Universities; or the University
30.2 of Minnesota;

30.3 (4) a nonprofit corporation subject to chapter 317A, described in section 317A.905,
30.4 and exempt from federal income tax under section 501(c)(6) of the Internal Revenue Code
30.5 of 1986, may authorize one or more charter schools if the charter school has operated
30.6 for at least three years under a different authorizer and if the nonprofit corporation has
30.7 existed for at least 25 years; or

30.8 (5) single-purpose authorizers formed as charitable, nonsectarian organizations
30.9 under section 501(c)(3) of the Internal Revenue Code of 1986 and incorporated in the state
30.10 of Minnesota under chapter 317A as a corporation with no members or under section
30.11 322B.975 as a nonprofit limited liability company for the sole purpose of chartering schools.

30.12 Sec. 2. Minnesota Statutes 2015 Supplement, section 124E.05, subdivision 4, is
30.13 amended to read:

30.14 Subd. 4. **Application content.** (a) An applicant must include in its application to
30.15 the commissioner to be an approved authorizer at least the following:

30.16 (1) how chartering schools is a way for the organization to carry out its mission;

30.17 ~~(2) a description of the capacity of the organization to serve as an authorizer,
30.18 including the personnel who will perform the authorizing duties, their qualifications, the
30.19 amount of time they will be assigned to this responsibility, and the financial resources
30.20 allocated by the organization to this responsibility;~~

30.21 (2) a description of the capacity of the organization to serve as an authorizer,
30.22 including the positions allocated to authorizing duties, the qualifications for those
30.23 positions, the full-time equivalencies of those positions, and the financial resources
30.24 available to fund the positions;

30.25 (3) a description of the application and review process the authorizer will use to
30.26 make decisions regarding the granting of charters;

30.27 (4) a description of the type of contract it will arrange with the schools it charters
30.28 that meets the provisions of section 124E.10;

30.29 (5) the process to be used for providing ongoing oversight of the school consistent
30.30 with the contract expectations specified in clause (4) that assures that the schools chartered
30.31 are complying with both the provisions of applicable law and rules, and with the contract;

30.32 (6) a description of the criteria and process the authorizer will use to grant expanded
30.33 applications under section 124E.06, subdivision 5;

30.34 (7) the process for making decisions regarding the renewal or termination of
30.35 the school's charter based on evidence that demonstrates the academic, organizational,

31.1 and financial competency of the school, including its success in increasing student
31.2 achievement and meeting the goals of the charter school agreement; and

31.3 (8) an assurance specifying that the organization is committed to serving as an
31.4 authorizer for the full five-year term.

31.5 (b) Notwithstanding paragraph (a), an authorizer that is a school district may satisfy
31.6 the requirements of paragraph (a), clauses (1) and (2), and any requirement governing a
31.7 conflict of interest between an authorizer and its charter schools or ongoing evaluation or
31.8 continuing education of an administrator or other professional support staff by submitting
31.9 to the commissioner a written promise to comply with the requirements.

31.10 **EFFECTIVE DATE.** This section is effective January 1, 2017.

31.11 Sec. 3. Minnesota Statutes 2015 Supplement, section 124E.05, subdivision 5, is
31.12 amended to read:

31.13 Subd. 5. **Review by commissioner.** (a) The commissioner shall review an
31.14 authorizer's performance every five years in a manner and form determined by the
31.15 commissioner, subject to paragraphs (b) and (c), and may review an authorizer's
31.16 performance more frequently at the commissioner's own initiative or at the request of a
31.17 charter school operator, charter school board member, or other interested party. The
31.18 commissioner, after completing the review, shall transmit a report with findings to the
31.19 authorizer.

31.20 (b) Consistent with this section, the commissioner must:

31.21 (1) use criteria appropriate to the authorizer and the schools it charters to review
31.22 the authorizer's performance; and

31.23 (2) consult with authorizers, charter school operators, and other charter school
31.24 stakeholders in developing and evaluating the review process, criteria, and scoring system
31.25 under this paragraph.

31.26 (c) The commissioner's form must use existing department data on the authorizer
31.27 to minimize duplicate reporting to the extent practicable.

31.28 **EFFECTIVE DATE.** This section is effective January 1, 2017.

31.29 Sec. 4. Minnesota Statutes 2015 Supplement, section 124E.05, subdivision 7, is
31.30 amended to read:

31.31 Subd. 7. **Withdrawal.** If the governing board of an approved authorizer votes to
31.32 withdraw as an approved authorizer for a reason unrelated to any cause under section
31.33 124E.10, subdivision 4, the authorizer must notify all its chartered schools and the

32.1 commissioner in writing by ~~July 15~~ March 1 of its intent to withdraw as an authorizer on
 32.2 June 30 in the next calendar year, regardless of when the authorizer's five-year term of
 32.3 approval ends. The commissioner may approve the transfer of a charter school to a new
 32.4 authorizer under ~~this subdivision after the new authorizer submits an affidavit to the~~
 32.5 ~~commissioner~~ section 124E.10, subdivision 5.

32.6 Sec. 5. Minnesota Statutes 2015 Supplement, section 124E.10, subdivision 1, is
 32.7 amended to read:

32.8 Subdivision 1. **Contents.** (a) The authorization for a charter school must be in the
 32.9 form of a written contract signed by the authorizer and the board of directors of the charter
 32.10 school. The contract must be completed within 45 business days of the commissioner's
 32.11 approval of the authorizer's affidavit. The authorizer shall submit to the commissioner a
 32.12 copy of the signed charter contract within ten business days of its execution. The contract
 32.13 for a charter school must be in writing and contain at least the following:

32.14 (1) a declaration that the charter school will carry out the primary purpose in section
 32.15 124E.01, subdivision 1, and how the school will report its implementation of the primary
 32.16 purpose;

32.17 (2) a declaration of the additional purpose or purposes in section 124E.01,
 32.18 subdivision 1, that the school intends to carry out and how the school will report its
 32.19 implementation of those purposes;

32.20 (3) a description of the school program and the specific academic and nonacademic
 32.21 outcomes that pupils must achieve;

32.22 (4) a statement of admission policies and procedures;

32.23 (5) a governance, management, and administration plan for the school;

32.24 (6) signed agreements from charter school board members to comply with all
 32.25 federal and state laws governing organizational, programmatic, and financial requirements
 32.26 applicable to charter schools;

32.27 (7) the criteria, processes, and procedures that the authorizer will use to monitor and
 32.28 evaluate the fiscal, operational, and academic performance consistent with subdivision
 32.29 3, paragraphs (a) and (b);

32.30 (8) for contract renewal, the formal written performance evaluation of the school
 32.31 that is a prerequisite for reviewing a charter contract under subdivision 3;

32.32 (9) types and amounts of insurance liability coverage to be obtained by the charter
 32.33 school, consistent with section 124E.03, subdivision 2, paragraph (d);

32.34 (10) consistent with section 124E.09, paragraph (d), a provision to indemnify and
 32.35 hold harmless the authorizer and its officers, agents, and employees from any suit, claim,

33.1 or liability arising from any operation of the charter school, and the commissioner and
33.2 department officers, agents, and employees notwithstanding section 3.736;

33.3 (11) the term of the initial contract, which may be up to five years plus ~~an additional~~
33.4 a preoperational planning year period, and up to five years for a renewed contract or a
33.5 contract with a new authorizer after a transfer of authorizers, if warranted by the school's
33.6 academic, financial, and operational performance;

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

33.12 (13) the specific conditions for contract renewal that identify performance of all
33.13 students under the primary purpose of section 124E.01, subdivision 1, as the most
33.14 important factor in determining contract renewal;

33.15 (14) the additional purposes under section 124E.01, subdivision 1, and related
33.16 performance obligations under clause (7) contained in the charter contract as additional
33.17 factors in determining contract renewal; and

33.18 (15) the plan for an orderly closing of the school under chapter 317A, whether
33.19 the closure is a termination for cause, a voluntary termination, or a nonrenewal of the
33.20 contract, that includes establishing the responsibilities of the school board of directors
33.21 and the authorizer and notifying the commissioner, authorizer, school district in which the
33.22 charter school is located, and parents of enrolled students about the closure, information
33.23 and assistance sufficient to enable the student to re-enroll in another school, the transfer
33.24 of student records under section 124E.03, subdivision 5, paragraph (b), and procedures
33.25 for closing financial operations.

33.26 (b) A charter school must design its programs to at least meet the outcomes adopted
33.27 by the commissioner for public school students, including world's best workforce goals
33.28 under section 120B.11, subdivision 1. In the absence of the commissioner's requirements,
33.29 the school must meet the outcomes contained in the contract with the authorizer. The
33.30 achievement levels of the outcomes contained in the contract may exceed the achievement
33.31 levels of any outcomes adopted by the commissioner for public school students.

33.32 Sec. 6. Minnesota Statutes 2015 Supplement, section 124E.10, subdivision 5, is
33.33 amended to read:

33.34 Subd. 5. **Mutual nonrenewal.** If the authorizer and the charter school board of
33.35 directors mutually agree not to renew the contract, or if the governing board of an approved

34.1 authorizer votes to withdraw as an approved authorizer for a reason unrelated to any cause
 34.2 under subdivision 4, a change in authorizers is allowed. The authorizer and the school
 34.3 board must jointly submit a written and signed letter of their intent to the commissioner to
 34.4 mutually not renew the contract. The authorizer that is a party to the existing contract must
 34.5 inform the proposed authorizer about the fiscal, operational, and student performance status
 34.6 of the school, ~~as well as any~~ including unmet contract outcomes and other outstanding
 34.7 contractual obligations that exist. The charter contract between the proposed authorizer
 34.8 and the school must identify and provide a plan to address any outstanding obligations from
 34.9 the previous contract. The proposed contract must be submitted at least 105 business days
 34.10 before the end of the existing charter contract. The commissioner shall have 30 business
 34.11 days to review and make a determination. The proposed authorizer and the school shall
 34.12 have 15 business days to respond to the determination and address any issues identified by
 34.13 the commissioner. A final determination by the commissioner shall be made no later than
 34.14 45 business days before the end of the current charter contract. If no change in authorizer
 34.15 is approved, the school and the current authorizer may withdraw their letter of nonrenewal
 34.16 and enter into a new contract. If the transfer of authorizers is not approved and the current
 34.17 authorizer and the school do not withdraw their letter and enter into a new contract, the
 34.18 school must be dissolved according to applicable law and the terms of the contract.

34.19 Sec. 7. Minnesota Statutes 2015 Supplement, section 124E.16, subdivision 2, is
 34.20 amended to read:

34.21 Subd. 2. **Annual public reports.** (a) A charter school must publish an annual report
 34.22 approved by the board of directors. The annual report must at least include information
 34.23 on school enrollment, student attrition, governance and management, staffing, finances,
 34.24 academic performance, innovative practices and implementation, and future plans. A
 34.25 charter school may combine this report with the reporting required under section 120B.11.
 34.26 A charter school must post the annual report on the school's official Web site. A charter
 34.27 school must also distribute the annual report by publication, mail, or electronic means to
 34.28 its authorizer, school employees, and parents and legal guardians of students enrolled in
 34.29 the charter school. The reports are public data under chapter 13.

34.30 (b) ~~The commissioner shall establish specifications for~~ An authorizer must submit an
 34.31 authorizer's annual public report that in a manner specified by the commissioner by January
 34.32 15 for the previous school year ending June 30 that shall at least include key indicators of
 34.33 school academic, operational, and financial performance. The report is part of the system
 34.34 to evaluate authorizer performance under section 124E.05, subdivision 5. ~~The report shall~~
 34.35 ~~at least include key indicators of school academic, operational, and financial performance.~~

35.1 **ARTICLE 4**

35.2 **SPECIAL EDUCATION**

35.3 Section 1. Minnesota Statutes 2015 Supplement, section 120B.125, is amended to read:

35.4 **120B.125 PLANNING FOR STUDENTS' SUCCESSFUL TRANSITION**
35.5 **TO POSTSECONDARY EDUCATION AND EMPLOYMENT; PERSONAL**
35.6 **LEARNING PLANS.**

35.7 (a) Consistent with sections 120B.13, 120B.131, 120B.132, 120B.14, 120B.15,
35.8 120B.30, subdivision 1, paragraph (c), 125A.08, and other related sections, school
35.9 districts, beginning in the 2013-2014 school year, must assist all students by no later
35.10 than grade 9 to explore their educational, college, and career interests, aptitudes, and
35.11 aspirations and develop a plan for a smooth and successful transition to postsecondary
35.12 education or employment. All students' plans must:

35.13 (1) provide a comprehensive plan to prepare for and complete a career and college
35.14 ready curriculum by meeting state and local academic standards and developing career and
35.15 employment-related skills such as team work, collaboration, creativity, communication,
35.16 critical thinking, and good work habits;

35.17 (2) emphasize academic rigor and high expectations;

35.18 (3) help students identify interests, aptitudes, aspirations, and personal learning
35.19 styles that may affect their career and college ready goals and postsecondary education
35.20 and employment choices;

35.21 (4) set appropriate career and college ready goals with timelines that identify
35.22 effective means for achieving those goals;

35.23 (5) help students access education and career options;

35.24 (6) integrate strong academic content into career-focused courses and applied and
35.25 experiential learning opportunities and integrate relevant career-focused courses and
35.26 applied and experiential learning opportunities into strong academic content;

35.27 (7) help identify and access appropriate counseling and other supports and assistance
35.28 that enable students to complete required coursework, prepare for postsecondary education
35.29 and careers, and obtain information about postsecondary education costs and eligibility
35.30 for financial aid and scholarship;

35.31 (8) help identify collaborative partnerships among prekindergarten through grade
35.32 12 schools, postsecondary institutions, economic development agencies, and local and
35.33 regional employers that support students' transition to postsecondary education and
35.34 employment and provide students with applied and experiential learning opportunities; and

36.1 (9) be reviewed and revised at least annually by the student, the student's parent or
 36.2 guardian, and the school or district to ensure that the student's course-taking schedule keeps
 36.3 the student making adequate progress to meet state and local academic standards and high
 36.4 school graduation requirements and with a reasonable chance to succeed with employment
 36.5 or postsecondary education without the need to first complete remedial course work.

36.6 (b) A school district may develop grade-level curricula or provide instruction that
 36.7 introduces students to various careers, but must not require any curriculum, instruction,
 36.8 or employment-related activity that obligates an elementary or secondary student to
 36.9 involuntarily select or pursue a career, career interest, employment goals, or related job
 36.10 training.

36.11 (c) Educators must possess the knowledge and skills to effectively teach all English
 36.12 learners in their classrooms. School districts must provide appropriate curriculum,
 36.13 targeted materials, professional development opportunities for educators, and sufficient
 36.14 resources to enable English learners to become career and college ready.

36.15 (d) When assisting students in developing a plan for a smooth and successful
 36.16 transition to postsecondary education and employment, districts must recognize the unique
 36.17 possibilities of each student and ensure that the contents of each student's plan reflect the
 36.18 student's unique talents, skills, and abilities as the student grows, develops, and learns.

36.19 (e) A student with a disability that has an individualized education program (IEP)
 36.20 or standardized written plan that meets the plan components of this section does not
 36.21 need an additional plan.

36.22 Sec. 2. Minnesota Statutes 2014, section 122A.31, subdivision 3, is amended to read:

36.23 Subd. 3. **Qualified interpreters.** The Department of Education ~~and the resource~~
 36.24 ~~center:~~ state specialist for deaf and hard-of-hearing hard-of-hearing shall work with
 36.25 existing interpreter/transliterator training programs, other training/educational institutions,
 36.26 and the regional service centers to ensure that ongoing staff development training for
 36.27 educational interpreters/transliterators is provided throughout the state.

36.28 Sec. 3. Minnesota Statutes 2014, section 124D.15, subdivision 15, is amended to read:

36.29 Subd. 15. **Eligibility.** A child is eligible to participate in a school readiness program
 36.30 if the child:

36.31 (1) is at least three years old on September 1;

36.32 (2) has completed health and developmental screening within 90 days of program
 36.33 enrollment under sections 121A.16 to 121A.19; and

36.34 (3) has one or more of the following risk factors:

- 37.1 (i) qualifies for free or reduced-price lunch;
- 37.2 (ii) is an English learner;
- 37.3 (iii) is homeless;
- 37.4 (iv) has an individualized education program (IEP) or ~~an individual interagency~~
- 37.5 ~~intervention plan (IHP)~~ standardized written plan;
- 37.6 (v) is identified, through health and developmental screenings under sections
- 37.7 121A.16 to 121A.19, with a potential risk factor that may influence learning; or
- 37.8 (vi) is defined as ~~at-risk~~ at risk by the school district.

37.9 Sec. 4. Minnesota Statutes 2015 Supplement, section 125A.08, is amended to read:

37.10 **125A.08 INDIVIDUALIZED EDUCATION PROGRAMS.**

37.11 (a) At the beginning of each school year, each school district shall have in effect, for

37.12 each child with a disability, an individualized education program (IEP).

37.13 (b) As defined in this section, every district must ensure the following:

37.14 (1) all students with disabilities are provided the special instruction and services

37.15 which are appropriate to their needs. Where the individualized education program team

37.16 has determined appropriate goals and objectives based on the student's needs, including the

37.17 extent to which the student can be included in the least restrictive environment, and where

37.18 there are essentially equivalent and effective instruction, related services, or assistive

37.19 technology devices available to meet the student's needs, cost to the district may be among

37.20 the factors considered by the team in choosing how to provide the appropriate services,

37.21 instruction, or devices that are to be made part of the student's individualized education

37.22 program. The individualized education program team shall consider and may authorize

37.23 services covered by medical assistance according to section 256B.0625, subdivision 26.

37.24 The student's needs and the special education instruction and services to be provided must

37.25 be agreed upon through the development of an individualized education program. The

37.26 program must address the student's need to develop skills to live and work as independently

37.27 as possible within the community. The individualized education program team must

37.28 consider positive behavioral interventions, strategies, and supports that address behavior

37.29 needs for children. During grade 9, the program must address the student's needs for

37.30 transition from secondary services to postsecondary education and training, employment,

37.31 community participation, recreation, and leisure and home living. In developing the

37.32 program, districts must inform parents of the full range of transitional goals and related

37.33 services that should be considered. The program must include a statement of the needed

37.34 transition services, including a statement of the interagency responsibilities or linkages or

38.1 both before secondary services are concluded. If the IEP meets the plan components in
38.2 section 120B.125, the IEP satisfies the requirement and no additional plan is needed;

38.3 (2) children with a disability under age five and their families are provided special
38.4 instruction and services appropriate to the child's level of functioning and needs;

38.5 (3) children with a disability and their parents or guardians are guaranteed procedural
38.6 safeguards and the right to participate in decisions involving identification, assessment
38.7 including assistive technology assessment, and educational placement of children with a
38.8 disability;

38.9 (4) eligibility and needs of children with a disability are determined by an initial
38.10 evaluation or reevaluation, which may be completed using existing data under United
38.11 States Code, title 20, section 33, et seq.;

38.12 (5) to the maximum extent appropriate, children with a disability, including those
38.13 in public or private institutions or other care facilities, are educated with children who
38.14 are not disabled, and that special classes, separate schooling, or other removal of children
38.15 with a disability from the regular educational environment occurs only when and to the
38.16 extent that the nature or severity of the disability is such that education in regular classes
38.17 with the use of supplementary services cannot be achieved satisfactorily;

38.18 (6) in accordance with recognized professional standards, testing and evaluation
38.19 materials, and procedures used for the purposes of classification and placement of children
38.20 with a disability are selected and administered so as not to be racially or culturally
38.21 discriminatory; and

38.22 (7) the rights of the child are protected when the parents or guardians are not known
38.23 or not available, or the child is a ward of the state.

38.24 (c) For all paraprofessionals employed to work in programs whose role in part is
38.25 to provide direct support to students with disabilities, the school board in each district
38.26 shall ensure that:

38.27 (1) before or beginning at the time of employment, each paraprofessional must
38.28 develop sufficient knowledge and skills in emergency procedures, building orientation,
38.29 roles and responsibilities, confidentiality, vulnerability, and reportability, among other
38.30 things, to begin meeting the needs, especially disability-specific and behavioral needs, of
38.31 the students with whom the paraprofessional works;

38.32 (2) annual training opportunities are required to enable the paraprofessional to
38.33 continue to further develop the knowledge and skills that are specific to the students with
38.34 whom the paraprofessional works, including understanding disabilities, the unique and
38.35 individual needs of each student according to the student's disability and how the disability

39.1 affects the student's education and behavior, following lesson plans, and implementing
 39.2 follow-up instructional procedures and activities; and

39.3 (3) a districtwide process obligates each paraprofessional to work under the ongoing
 39.4 direction of a licensed teacher and, where appropriate and possible, the supervision of a
 39.5 school nurse.

39.6 Sec. 5. Minnesota Statutes 2014, section 125A.091, subdivision 11, is amended to read:

39.7 Subd. 11. **Facilitated team meeting.** A facilitated team meeting is an IEP, IFSP, or
 39.8 HHP multiagency team meeting led by an impartial state-provided facilitator to promote
 39.9 effective communication and assist a team in developing an individualized education
 39.10 program.

39.11 Sec. 6. Minnesota Statutes 2015 Supplement, section 125A.0942, subdivision 3,
 39.12 is amended to read:

39.13 Subd. 3. **Physical holding or seclusion.** (a) Physical holding or seclusion may be
 39.14 used only in an emergency. A school that uses physical holding or seclusion shall meet the
 39.15 following requirements:

39.16 (1) physical holding or seclusion is the least intrusive intervention that effectively
 39.17 responds to the emergency;

39.18 (2) physical holding or seclusion is not used to discipline a noncompliant child;

39.19 (3) physical holding or seclusion ends when the threat of harm ends and the staff
 39.20 determines the child can safely return to the classroom or activity;

39.21 (4) staff directly observes the child while physical holding or seclusion is being used;

39.22 (5) each time physical holding or seclusion is used, the staff person who implements
 39.23 or oversees the physical holding or seclusion documents, as soon as possible after the
 39.24 incident concludes, the following information:

39.25 (i) a description of the incident that led to the physical holding or seclusion;

39.26 (ii) why a less restrictive measure failed or was determined by staff to be
 39.27 inappropriate or impractical;

39.28 (iii) the time the physical holding or seclusion began and the time the child was
 39.29 released; and

39.30 (iv) a brief record of the child's behavioral and physical status;

39.31 (6) the room used for seclusion must:

39.32 (i) be at least six feet by five feet;

39.33 (ii) be well lit, well ventilated, adequately heated, and clean;

39.34 (iii) have a window that allows staff to directly observe a child in seclusion;

40.1 (iv) have tamperproof fixtures, electrical switches located immediately outside the
 40.2 door, and secure ceilings;

40.3 (v) have doors that open out and are unlocked, locked with keyless locks that
 40.4 have immediate release mechanisms, or locked with locks that have immediate release
 40.5 mechanisms connected with a fire and emergency system; and

40.6 (vi) not contain objects that a child may use to injure the child or others; and

40.7 (7) before using a room for seclusion, a school must:

40.8 (i) receive written notice from local authorities that the room and the locking
 40.9 mechanisms comply with applicable building, fire, and safety codes; and

40.10 (ii) register the room with the commissioner, who may view that room; and

40.11 ~~(8) until August 1, 2015, a school district may use prone restraints with children
 40.12 age five or older if:~~

40.13 ~~(i) the district has provided to the department a list of staff who have had specific
 40.14 training on the use of prone restraints;~~

40.15 ~~(ii) the district provides information on the type of training that was provided and
 40.16 by whom;~~

40.17 ~~(iii) only staff who received specific training use prone restraints;~~

40.18 ~~(iv) each incident of the use of prone restraints is reported to the department within
 40.19 five working days on a form provided by the department; and~~

40.20 ~~(v) the district, before using prone restraints, must review any known medical or
 40.21 psychological limitations that contraindicate the use of prone restraints.~~

40.22 ~~The department must collect data on districts' use of prone restraints and publish the
 40.23 data in a readily accessible format on the department's Web site on a quarterly basis.~~

40.24 (b) By February 1, 2015, and annually thereafter, stakeholders may, as necessary,
 40.25 recommend to the commissioner specific and measurable implementation and outcome
 40.26 goals for reducing the use of restrictive procedures and the commissioner must submit to
 40.27 the legislature a report on districts' progress in reducing the use of restrictive procedures
 40.28 that recommends how to further reduce these procedures and eliminate the use of
 40.29 ~~prone restraints~~ seclusion. The statewide plan includes the following components:
 40.30 measurable goals; the resources, training, technical assistance, mental health services,
 40.31 and collaborative efforts needed to significantly reduce districts' use of ~~prone restraints~~
 40.32 seclusion; and recommendations to clarify and improve the law governing districts' use
 40.33 of restrictive procedures. The commissioner must consult with interested stakeholders
 40.34 when preparing the report, including representatives of advocacy organizations, special
 40.35 education directors, teachers, paraprofessionals, intermediate school districts, school
 40.36 boards, day treatment providers, county social services, state human services department

41.1 staff, mental health professionals, and autism experts. ~~By June 30~~ Beginning with the
 41.2 2016-2017 school year, in a form and manner determined by the commissioner, districts
 41.3 must report data quarterly to the department by January 15, April 15, July 15, and October
 41.4 15, about individual students who have been secluded. By July 15 each year, districts
 41.5 must report summary data on their use of restrictive procedures to the department for
 41.6 the prior school year, July 1 through June 30, in a form and manner determined by the
 41.7 commissioner. The summary data must include information about the use of restrictive
 41.8 procedures, including use of reasonable force under section 121A.582.

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

41.11 Sec. 7. Minnesota Statutes 2014, section 125A.0942, subdivision 4, is amended to read:

41.12 Subd. 4. **Prohibitions.** The following actions or procedures are prohibited:

41.13 (1) engaging in conduct prohibited under section 121A.58;

41.14 (2) requiring a child to assume and maintain a specified physical position, activity,
 41.15 or posture that induces physical pain;

41.16 (3) totally or partially restricting a child's senses as punishment;

41.17 (4) presenting an intense sound, light, or other sensory stimuli using smell, taste,
 41.18 substance, or spray as punishment;

41.19 (5) denying or restricting a child's access to equipment and devices such as walkers,
 41.20 wheelchairs, hearing aids, and communication boards that facilitate the child's functioning,
 41.21 except when temporarily removing the equipment or device is needed to prevent injury
 41.22 to the child or others or serious damage to the equipment or device, in which case the
 41.23 equipment or device shall be returned to the child as soon as possible;

41.24 (6) interacting with a child in a manner that constitutes sexual abuse, neglect, or
 41.25 physical abuse under section 626.556;

41.26 (7) withholding regularly scheduled meals or water;

41.27 (8) denying access to bathroom facilities; ~~and~~

41.28 (9) physical holding that restricts or impairs a child's ability to breathe, restricts or
 41.29 impairs a child's ability to communicate distress, places pressure or weight on a child's
 41.30 head, throat, neck, chest, lungs, sternum, diaphragm, back, or abdomen, or results in
 41.31 straddling a child's torso; and

41.32 (10) prone restraint.

41.33 **EFFECTIVE DATE.** The section is effective the day following final enactment.

42.1 Sec. 8. Minnesota Statutes 2015 Supplement, section 125A.63, subdivision 4, is
 42.2 amended to read:

42.3 Subd. 4. **Advisory committees.** (a) The commissioner shall establish advisory
 42.4 committees for the deaf and hard-of-hearing and for the blind and visually impaired. The
 42.5 advisory committees shall develop recommendations and submit an annual report to the
 42.6 commissioner on the form and in the manner prescribed by the commissioner.

42.7 (b) The advisory committees for the deaf and hard of hearing and for the blind and
 42.8 visually impaired shall meet periodically at least four times per year ~~and~~. The committees
 42.9 must each review, approve, and submit an annual a biennial report to the commissioner,
 42.10 the education policy and finance committees of the legislature, and the Commission of
 42.11 Deaf, DeafBlind, and Hard-of-Hearing Minnesotans. The reports must, at least:

42.12 (1) identify and report the aggregate, data-based education outcomes for children
 42.13 with the primary disability classification of deaf and hard of hearing or of blind and
 42.14 visually impaired, consistent with the commissioner's child count reporting practices, the
 42.15 commissioner's state and local outcome data reporting system by district and region, and
 42.16 the school performance report cards under section 120B.36, subdivision 1; and

42.17 (2) describe the implementation of a data-based plan for improving the education
 42.18 outcomes of deaf and hard of hearing or blind and visually impaired children that is
 42.19 premised on evidence-based best practices, and provide a cost estimate for ongoing
 42.20 implementation of the plan.

42.21 ARTICLE 5

42.22 FACILITIES AND TECHNOLOGY

42.23 Section 1. Minnesota Statutes 2014, section 123B.52, subdivision 1, is amended to read:

42.24 Subdivision 1. **Contracts.** A contract for work or labor, or for the purchase of
 42.25 furniture, fixtures, or other property, except books registered under the copyright laws and
 42.26 information systems software, or for the construction or repair of school houses, the
 42.27 estimated cost or value of which shall exceed that specified in section 471.345, subdivision
 42.28 3, must not be made by the school board without first advertising for bids or proposals by
 42.29 two weeks' published notice in the official newspaper. This notice must state the time and
 42.30 place of receiving bids and contain a brief description of the subject matter.

42.31 Additional publication in the official newspaper or elsewhere may be made as the
 42.32 board shall deem necessary.

42.33 After taking into consideration conformity with the specifications, terms of delivery,
 42.34 and other conditions imposed in the call for bids, every such contract for which a call for
 42.35 bids has been issued must be awarded to the lowest responsible bidder, be duly executed

43.1 in writing, and be otherwise conditioned as required by law. The person to whom the
43.2 contract is awarded shall give a sufficient bond to the board for its faithful performance.
43.3 Notwithstanding section 574.26 or any other law to the contrary, on a contract limited to the
43.4 purchase of a finished tangible product, a board may require, at its discretion, a performance
43.5 bond of a contractor in the amount the board considers necessary. A record must be kept of
43.6 all bids, with names of bidders and amount of bids, and with the successful bid indicated
43.7 thereon. A bid containing an alteration or erasure of any price contained in the bid which
43.8 is used in determining the lowest responsible bid must be rejected unless the alteration or
43.9 erasure is corrected as provided in this section. An alteration or erasure may be crossed out
43.10 and the correction thereof printed in ink or typewritten adjacent thereto and initialed in ink
43.11 by the person signing the bid. In the case of identical low bids from two or more bidders,
43.12 the board may, at its discretion, utilize negotiated procurement methods with the tied low
43.13 bidders for that particular transaction, so long as the price paid does not exceed the low tied
43.14 bid price. In the case where only a single bid is received, the board may, at its discretion,
43.15 negotiate a mutually agreeable contract with the bidder so long as the price paid does not
43.16 exceed the original bid. If no satisfactory bid is received, the board may readvertise.
43.17 Standard requirement price contracts established for supplies or services to be purchased
43.18 by the district must be established by competitive bids. Such standard requirement price
43.19 contracts may contain escalation clauses and may provide for a negotiated price increase
43.20 or decrease based upon a demonstrable industrywide or regional increase or decrease in
43.21 the vendor's costs. Either party to the contract may request that the other party demonstrate
43.22 such increase or decrease. The term of such contracts must not exceed two years with an
43.23 option on the part of the district to renew for an additional two years. Contracts for the
43.24 purchase of perishable food items, except milk for school lunches and vocational training
43.25 programs, in any amount may be made by direct negotiation by obtaining two or more
43.26 written quotations for the purchase or sale, when possible, without advertising for bids or
43.27 otherwise complying with the requirements of this section or section 471.345, subdivision
43.28 3. All quotations obtained shall be kept on file for a period of at least one year after receipt.
43.29 Every contract made without compliance with the provisions of this section shall be
43.30 void. Except in the case of the destruction of buildings or injury thereto, where the public
43.31 interest would suffer by delay, contracts for repairs may be made without advertising
43.32 for bids.

43.33 Sec. 2. Minnesota Statutes 2015 Supplement, section 123B.53, subdivision 1, is
43.34 amended to read:

44.1 Subdivision 1. **Definitions.** (a) For purposes of this section, the eligible debt service
44.2 revenue of a district is defined as follows:

44.3 (1) the amount needed to produce between five and six percent in excess of the
44.4 amount needed to meet when due the principal and interest payments on the obligations
44.5 of the district for eligible projects according to subdivision 2, including the amounts
44.6 necessary for repayment of ~~energy loans according to section 216C.37 or sections 298.292~~
44.7 ~~to 298.298~~, debt service loans, capital loans, and lease purchase payments under section
44.8 126C.40, subdivision 2, excluding long-term facilities maintenance levies under section
44.9 123B.595, minus

44.10 (2) the amount of debt service excess levy reduction for that school year calculated
44.11 according to the procedure established by the commissioner.

44.12 (b) The obligations in this paragraph are excluded from eligible debt service revenue:

44.13 (1) obligations under section 123B.61;

44.14 (2) the part of debt service principal and interest paid from the taconite environmental
44.15 protection fund or Douglas J. Johnson economic protection trust, excluding the portion of
44.16 taconite payments from the Iron Range school consolidation and cooperatively operated
44.17 school account under section 298.28, subdivision 7a;

44.18 (3) obligations issued under Laws 1991, chapter 265, article 5, section 18, as
44.19 amended by Laws 1992, chapter 499, article 5, section 24;

44.20 (4) obligations under section 123B.62; and

44.21 (5) obligations equalized under section 123B.535.

44.22 (c) For purposes of this section, if a preexisting school district reorganized under
44.23 sections 123A.35 to 123A.43, 123A.46, and 123A.48 is solely responsible for retirement
44.24 of the preexisting district's bonded indebtedness, capital loans or debt service loans, debt
44.25 service equalization aid must be computed separately for each of the preexisting districts.

44.26 (d) For purposes of this section, the adjusted net tax capacity determined according
44.27 to sections 127A.48 and 273.1325 shall be adjusted to include the tax capacity of property
44.28 generally exempted from ad valorem taxes under section 272.02, subdivision 64.

44.29 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
44.30 later.

44.31 Sec. 3. Minnesota Statutes 2014, section 123B.571, subdivision 2, is amended to read:

44.32 Subd. 2. **Radon testing.** A school district may include radon testing as a part of
44.33 its ~~health and safety~~ ten-year facility plan under section 123B.595, subdivision 4. If a
44.34 school district receives authority to use ~~health and safety~~ long-term facilities maintenance

45.1 revenue to conduct radon testing, the district shall conduct the testing according to the
45.2 radon testing plan developed by the commissioners of health and education.

45.3 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
45.4 later.

45.5 Sec. 4. **[123B.572] SOLAR PANEL FIRE SAFETY.**

45.6 A solar photovoltaic system installed at a school under this section must comply
45.7 with chapter 690 of the most current edition of NFPA 70, the National Electrical Code,
45.8 adopted under the authority given in section 326B.32, subdivision 2.

45.9 Sec. 5. Minnesota Statutes 2015 Supplement, section 123B.595, subdivision 4, is
45.10 amended to read:

45.11 Subd. 4. **Facilities plans.** (a) To qualify for revenue under this section, a school
45.12 district or intermediate district, not including a charter school, must have a ten-year facility
45.13 plan adopted by the school board and approved by the commissioner. The plan must include
45.14 provisions for implementing a health and safety program that complies with health, safety,
45.15 and environmental regulations and best practices, including indoor air quality management.

45.16 (b) The district must annually update the plan, ~~biennially~~ submit a ~~facility~~
45.17 ~~maintenance~~ the plan to the commissioner for approval by July 31, and indicate whether
45.18 the district will issue bonds to finance the plan or levy for the costs.

45.19 (c) For school districts issuing bonds to finance the plan, the plan must include a
45.20 debt service schedule demonstrating that the debt service revenue required to pay the
45.21 principal and interest on the bonds each year will not exceed the projected long-term
45.22 facilities revenue for that year.

45.23 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
45.24 later.

45.25 Sec. 6. Minnesota Statutes 2015 Supplement, section 123B.595, subdivision 7, is
45.26 amended to read:

45.27 Subd. 7. **Long-term facilities maintenance equalization revenue.** (a) For fiscal
45.28 year 2017 only, a district's long-term facilities maintenance equalization revenue equals
45.29 the lesser of (1) \$193 times the adjusted pupil units or (2) the district's revenue under
45.30 subdivision 1.

46.1 (b) For fiscal year 2018 only, a district's long-term facilities maintenance
 46.2 equalization revenue equals the lesser of (1) \$292 times the adjusted pupil units or (2)
 46.3 the district's revenue under subdivision 1.

46.4 (c) For fiscal year 2019 and later, a district's long-term facilities maintenance
 46.5 equalization revenue equals the lesser of (1) \$380 times the adjusted pupil units or (2)
 46.6 the district's revenue under subdivision 1.

46.7 (d) Notwithstanding paragraphs (a) to (c), a district's long-term facilities maintenance
 46.8 equalization revenue must not be less than the lesser of the district's long-term facilities
 46.9 maintenance revenue or the amount of aid the district received for fiscal year 2015 under
 46.10 section 123B.59, subdivision 6.

46.11 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
 46.12 later.

46.13 Sec. 7. Minnesota Statutes 2015 Supplement, section 123B.595, subdivision 8, is
 46.14 amended to read:

46.15 Subd. 8. **Long-term facilities maintenance equalized levy.** (a) For fiscal year 2017
 46.16 and later, a district's long-term facilities maintenance equalized levy equals the district's
 46.17 long-term facilities maintenance equalization revenue minus the greater of:

46.18 (1) the lesser of the district's long-term facilities maintenance equalization revenue
 46.19 or the amount of aid the district received for fiscal year 2015 under Minnesota Statutes
 46.20 2014, section 123B.59, subdivision 6; or

46.21 (2) the district's long-term facilities maintenance equalization revenue times the
 46.22 greater of (i) zero or (ii) one minus the ratio of its adjusted net tax capacity per adjusted
 46.23 pupil unit in the year preceding the year the levy is certified to 123 percent of the state
 46.24 average adjusted net tax capacity per adjusted pupil unit for all school districts in the
 46.25 year preceding the year the levy is certified.

46.26 (b) For purposes of this subdivision, "adjusted net tax capacity" means the value
 46.27 described in section 126C.01, subdivision 2, paragraph (b).

46.28 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
 46.29 later.

46.30 Sec. 8. Minnesota Statutes 2015 Supplement, section 123B.595, is amended by adding
 46.31 a subdivision to read:

46.32 Subd. 8a. **Long-term facilities maintenance unequalized levy.** For fiscal year
 46.33 2017 and later, a district's long-term facilities maintenance unequalized levy equals the

47.1 difference between the district's revenue under subdivision 1 and the district's equalization
47.2 revenue under subdivision 7.

47.3 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
47.4 later.

47.5 Sec. 9. Minnesota Statutes 2015 Supplement, section 123B.595, subdivision 9, is
47.6 amended to read:

47.7 Subd. 9. **Long-term facilities maintenance equalized aid.** For fiscal year 2017
47.8 and later, a district's long-term facilities maintenance equalized aid equals its long-term
47.9 facilities maintenance equalization revenue minus its long-term facilities maintenance
47.10 equalized levy times the ratio of the actual equalized amount levied to the permitted
47.11 equalized levy.

47.12 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
47.13 later.

47.14 Sec. 10. Minnesota Statutes 2015 Supplement, section 123B.595, subdivision 10,
47.15 is amended to read:

47.16 Subd. 10. **Allowed uses for long-term facilities maintenance revenue.** (a) A
47.17 district may use revenue under this section for any of the following:

47.18 (1) deferred capital expenditures and maintenance projects necessary to prevent
47.19 further erosion of facilities;

47.20 (2) increasing accessibility of school facilities; ~~or~~

47.21 (3) health and safety capital projects under section 123B.57; or

47.22 (4) by board resolution, to transfer money from the general fund reserve for long-term

47.23 facilities maintenance to the debt redemption fund to pay the amounts needed to meet,

47.24 when due, principal and interest on general obligation bonds issued under subdivision 5.

47.25 (b) A charter school may use revenue under this section for any purpose related
47.26 to the school.

47.27 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
47.28 later.

47.29 Sec. 11. Minnesota Statutes 2015 Supplement, section 123B.595, subdivision 11,
47.30 is amended to read:

48.1 Subd. 11. **Restrictions on long-term facilities maintenance revenue.**

48.2 Notwithstanding subdivision ~~11~~ 10, long-term facilities maintenance revenue may not
48.3 be used:

48.4 (1) for the construction of new facilities, remodeling of existing facilities, or the
48.5 purchase of portable classrooms;

48.6 (2) to finance a lease purchase agreement, installment purchase agreement, or other
48.7 deferred payments agreement;

48.8 (3) for energy-efficiency projects under section 123B.65, for a building or property
48.9 or part of a building or property used for postsecondary instruction or administration, or
48.10 for a purpose unrelated to elementary and secondary education; or

48.11 (4) for violence prevention and facility security, ergonomics, or emergency
48.12 communication devices.

48.13 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
48.14 later.

48.15 Sec. 12. Minnesota Statutes 2014, section 123B.60, subdivision 1, is amended to read:

48.16 Subdivision 1. **Bonds.** When a building owned by a district is substantially damaged
48.17 by an act of God or other means beyond the control of the district, the district may issue
48.18 general obligation bonds without an election to provide money immediately to carry
48.19 out its adopted ~~health and safety~~ long-term facilities maintenance program. Each year
48.20 the district must pledge an attributable share of its ~~health and safety~~ long-term facilities
48.21 maintenance revenue to the repayment of principal and interest on the bonds. The pledged
48.22 revenue must be ~~transferred to~~ recognized in the debt redemption fund of the district. The
48.23 district must submit to the department the repayment schedule for any bonds issued under
48.24 this section. The district must deposit in the debt redemption fund all proceeds received
48.25 for specific costs for which the bonds were issued, including but not limited to:

48.26 (1) insurance proceeds;

48.27 (2) restitution proceeds; and

48.28 (3) proceeds of litigation or settlement of a lawsuit.

48.29 Before bonds are issued, the district must submit ~~a combined~~ an amended
48.30 application to the commissioner for ~~health and safety~~ long-term facilities maintenance
48.31 revenue, according to section ~~123B.57~~, and requesting review and comment, according
48.32 to section ~~123B.71~~, subdivisions ~~8, 9, 11, and 12~~ 123B.595. The commissioner shall
48.33 complete all procedures concerning the combined application within 20 days of receiving
48.34 the application. The publication provisions of section 123B.71, subdivision 12, do not
48.35 apply to bonds issued under this section.

49.1 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
 49.2 later.

49.3 Sec. 13. Minnesota Statutes 2014, section 123B.71, subdivision 8, is amended to read:

49.4 Subd. 8. **Review and comment.** A school district, a special education cooperative,
 49.5 or a cooperative unit of government, as defined in section 123A.24, subdivision 2,
 49.6 must not initiate an installment contract for purchase or a lease agreement, hold a
 49.7 referendum for bonds, nor solicit bids for new construction, expansion, or remodeling of
 49.8 an educational facility that requires an expenditure in excess of \$500,000 per school site if
 49.9 it has a capital loan outstanding, or \$2,000,000 per school site if it does not have a capital
 49.10 loan outstanding, prior to review and comment by the commissioner. A facility addition,
 49.11 maintenance project, or remodeling project funded only with general education revenue,
 49.12 ~~deferred maintenance revenue, alternative facilities bonding and levy program revenue,~~
 49.13 lease levy proceeds, capital facilities bond proceeds, or ~~health and safety~~ long-term
 49.14 facilities maintenance revenue is exempt from this provision. A capital project under
 49.15 section 123B.63 addressing only technology is exempt from this provision if the district
 49.16 submits a school board resolution stating that funds approved by the voters will be used
 49.17 only as authorized in section 126C.10, subdivision 14. A school board shall not separate
 49.18 portions of a single project into components to avoid the requirements of this subdivision.

49.19 **EFFECTIVE DATE.** This section is effective the day following final enactment
 49.20 and applies to review and comments for projects funded with revenue for fiscal year
 49.21 2017 and later.

49.22 Sec. 14. Minnesota Statutes 2014, section 123B.79, subdivision 5, is amended to read:

49.23 Subd. 5. **Deficits; exception.** For the purposes of this section, a permanent transfer
 49.24 includes creating a deficit in a nonoperating fund for a period past the end of the current
 49.25 fiscal year which is covered by moneys in an operating fund. ~~However,~~ A deficit in the
 49.26 ~~capital expenditure fund~~ reserve for operating capital account pursuant to section 123B.78,
 49.27 subdivision 5, does not constitute a permanent transfer.

49.28 Sec. 15. Minnesota Statutes 2014, section 123B.79, subdivision 8, is amended to read:

49.29 Subd. 8. **Account transfer for reorganizing districts.** A district that has
 49.30 reorganized according to sections 123A.35 to 123A.43, 123A.46, or 123A.48, or has
 49.31 conducted a successful referendum on the question of combination under section
 49.32 123A.37, subdivision 2, or consolidation under section 123A.48, subdivision 15, or has
 49.33 been assigned an identification number by the commissioner under section 123A.48,

50.1 subdivision 16, may make permanent transfers between any of the funds or accounts in
 50.2 the newly created or enlarged district with the exception of the debt redemption fund,
 50.3 building construction fund, food service fund, and health and safety long-term facilities
 50.4 maintenance account of the ~~capital expenditure~~ general fund. Fund transfers under this
 50.5 section may be made for up to one year prior to the effective date of combination or
 50.6 consolidation by the consolidating boards and during the year following the effective date
 50.7 of reorganization by the consolidated board. The newly formed board of the combined
 50.8 district may adopt a resolution on or before August 30 of the year of the reorganization
 50.9 authorizing a transfer among accounts or funds of the previous independent school
 50.10 districts which transfer or transfers shall be reported in the affected districts' audited
 50.11 financial statements for the year immediately preceding the consolidation.

50.12 Sec. 16. Minnesota Statutes 2014, section 123B.79, subdivision 9, is amended to read:

50.13 Subd. 9. **Elimination of reserve accounts.** ~~A school board shall eliminate all~~
 50.14 ~~reserve accounts established in the school district's general fund under Minnesota Statutes~~
 50.15 ~~before July 1, 2006, for which no specific authority remains in statute as of June 30, 2007.~~
 50.16 Any balance in the district's reserved for ~~bus purchases~~ deferred maintenance
 50.17 as of June 30, ~~2007~~ 2016, shall be transferred to the reserved account for ~~operating capital~~
 50.18 long-term facilities maintenance in the school district's general fund. ~~Any balance in~~
 50.19 ~~other reserved accounts established in the school district's general fund under Minnesota~~
 50.20 ~~Statutes before July 1, 2006, for which no specific authority remains in statute as of June~~
 50.21 ~~30, 2007, shall be transferred to the school district's unreserved general fund balance.~~
 50.22 ~~A school board may, upon adoption of a resolution by the school board, establish a~~
 50.23 ~~designated account for any program for which a reserved account has been eliminated.~~
 50.24 Any balance in the district's reserved account for health and safety as of June 30, 2019,
 50.25 shall be transferred to the unassigned fund balance account in the district's general fund.
 50.26 Any balance in the district's reserved account for alternative facilities as of June 30, 2016,
 50.27 shall be transferred to the reserved account for long-term facilities maintenance in the
 50.28 district's building construction fund.

50.29 **EFFECTIVE DATE.** This section is effective July 1, 2016, for fiscal year 2017
 50.30 and later.

50.31 Sec. 17. Minnesota Statutes 2014, section 126C.40, subdivision 5, is amended to read:

50.32 Subd. 5. **Energy conservation.** ~~For loans approved before March 1, 1998, the~~
 50.33 ~~district may annually include as revenue under section 123B.53, without the approval of a~~
 50.34 ~~majority of the voters in the district, an amount sufficient to repay the annual principal and~~

51.1 ~~interest of the loan made pursuant to sections 216C.37 and 298.292 to 298.298.~~ For energy
 51.2 loans approved after March 1, 1998, under sections 216C.37 and 298.292 to 298.298,
 51.3 school districts must annually transfer from the general fund to the debt redemption fund
 51.4 the amount sufficient to pay interest and principal on the loans.

51.5 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
 51.6 later.

51.7 Sec. 18. Minnesota Statutes 2015 Supplement, section 126C.48, subdivision 8, is
 51.8 amended to read:

51.9 Subd. 8. **Taconite payment and other reductions.** (1) Reductions in levies
 51.10 pursuant to subdivision 1 must be made prior to the reductions in clause (2).

51.11 (2) Notwithstanding any other law to the contrary, districts that have revenue
 51.12 pursuant to sections 298.018; 298.225; 298.24 to 298.28, except an amount distributed
 51.13 under sections 298.26; 298.28, subdivision 4, paragraphs (c), clause (ii), and (d); 298.34 to
 51.14 298.39; 298.391 to 298.396; 298.405; 477A.15; and any law imposing a tax upon severed
 51.15 mineral values must reduce the levies authorized by this chapter and chapters 120B, 122A,
 51.16 123A, 123B, 124A, 124D, 125A, and 127A, excluding the student achievement levy
 51.17 under section 126C.13, subdivision 3b, by 95 percent of the sum of the previous year's
 51.18 revenue specified under this clause and the amount attributable to the same production
 51.19 year distributed to the cities and townships within the school district under section 298.28,
 51.20 subdivision 2, paragraph (c).

51.21 (3) The amount of any voter approved referendum, facilities down payment, and
 51.22 debt levies shall not be reduced by more than 50 percent under this subdivision, except
 51.23 that payments under section 298.28, subdivision 7a, may reduce the debt service levy by
 51.24 more than 50 percent. In administering this paragraph, the commissioner shall first reduce
 51.25 the nonvoter approved levies of a district; then, if any payments, severed mineral value
 51.26 tax revenue or recognized revenue under paragraph (2) remains, the commissioner shall
 51.27 reduce any voter approved referendum levies authorized under section 126C.17; then, if
 51.28 any payments, severed mineral value tax revenue or recognized revenue under paragraph
 51.29 (2) remains, the commissioner shall reduce any voter approved facilities down payment
 51.30 levies authorized under section 123B.63 and then, if any payments, severed mineral value
 51.31 tax revenue or recognized revenue under paragraph (2) remains, the commissioner shall
 51.32 reduce any voter approved debt levies.

51.33 (4) Before computing the reduction pursuant to this subdivision of the ~~health and~~
 51.34 ~~safety~~ long-term facilities maintenance levy authorized by sections 123B.57 and 126C.40,
 51.35 ~~subdivision 5~~ section 123B.595, the commissioner shall ascertain from each affected

52.1 school district the amount it proposes to levy ~~under each section or subdivision~~. The
 52.2 reduction shall be computed on the basis of the amount so ascertained.

52.3 (5) To the extent the levy reduction calculated under paragraph (2) exceeds the
 52.4 limitation in paragraph (3), an amount equal to the excess must be distributed from the
 52.5 school district's distribution under sections 298.225, 298.28, and 477A.15 in the following
 52.6 year to the cities and townships within the school district in the proportion that their
 52.7 taxable net tax capacity within the school district bears to the taxable net tax capacity of
 52.8 the school district for property taxes payable in the year prior to distribution. No city or
 52.9 township shall receive a distribution greater than its levy for taxes payable in the year prior
 52.10 to distribution. The commissioner of revenue shall certify the distributions of cities and
 52.11 towns under this paragraph to the county auditor by September 30 of the year preceding
 52.12 distribution. The county auditor shall reduce the proposed and final levies of cities and
 52.13 towns receiving distributions by the amount of their distribution. Distributions to the cities
 52.14 and towns shall be made at the times provided under section 298.27.

52.15 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
 52.16 later.

52.17 Sec. 19. Minnesota Statutes 2014, section 126C.63, subdivision 7, is amended to read:

52.18 Subd. 7. **Required debt service levy.** "Required debt service levy" means the total
 52.19 dollar amount needed to be included in the taxes levied by the district in any year for
 52.20 payment of interest and principal falling due on its debts prior to collection of the next
 52.21 ensuing year's debt service levy excluding the debt service levy for obligations under
 52.22 sections 123B.595, 123B.61, and 123B.62.

52.23 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
 52.24 later.

52.25 Sec. 20. **REPEALER.**

52.26 Minnesota Statutes 2014, sections 123B.60, subdivision 2; and 123B.79,
 52.27 subdivisions 2 and 6, are repealed for fiscal year 2017 and later.

52.28 **ARTICLE 6**

52.29 **SELF-SUFFICIENCY AND LIFELONG LEARNING**

52.30 Section 1. Minnesota Statutes 2014, section 124D.52, subdivision 1, is amended to read:

52.31 Subdivision 1. **Program requirements.** (a) An adult basic education program is
 52.32 a day or evening program offered by a district that is for people ~~over 16 years of age~~

53.1 who do not attend an elementary or secondary school and are not subject to compulsory
 53.2 attendance. The program offers academic and English language instruction necessary to
 53.3 earn a high school diploma or equivalency certificate.

53.4 (b) Notwithstanding any law to the contrary, a school board or the governing body of
 53.5 a consortium offering an adult basic education program may adopt a sliding fee schedule
 53.6 based on a family's income, but must waive the fee for participants who are under the age
 53.7 of 21 or unable to pay. The fees charged must be designed to enable individuals of all
 53.8 socioeconomic levels to participate in the program. A program may charge a security
 53.9 deposit to assure return of materials, supplies, and equipment.

53.10 (c) Each approved adult basic education program must develop a memorandum of
 53.11 understanding with the local workforce development centers located in the approved
 53.12 program's service delivery area. The memorandum of understanding must describe how
 53.13 the adult basic education program and the workforce development centers will cooperate
 53.14 and coordinate services to provide unduplicated, efficient, and effective services to clients.

53.15 (d) Adult basic education aid must be spent for adult basic education purposes as
 53.16 specified in sections 124D.518 to 124D.531.

53.17 (e) A state-approved adult basic education program must count and submit student
 53.18 contact hours for a program that offers high school credit toward an adult high school
 53.19 diploma according to student eligibility requirements and measures of student progress
 53.20 toward work-based competency and, where appropriate, English language proficiency
 53.21 requirements established by the commissioner and posted on the department Web site in
 53.22 a readily accessible location and format.

53.23 Sec. 2. Minnesota Statutes 2014, section 124D.52, subdivision 2, is amended to read:

53.24 Subd. 2. **Program approval.** (a) To receive aid under this section, a district, a
 53.25 ~~consortium of districts~~, the Department of Corrections, ~~or~~ a private nonprofit organization,
 53.26 or a consortium including districts, nonprofit organizations, or both must submit an
 53.27 application by June 1 describing the program, on a form provided by the department. The
 53.28 program must be approved by the commissioner according to the following criteria:

53.29 (1) how the needs of different levels of learning and English language proficiency
 53.30 will be met;

53.31 (2) for continuing programs, an evaluation of results;

53.32 (3) anticipated number and education level of participants;

53.33 (4) coordination with other resources and services;

53.34 (5) participation in a consortium, if any, and money available from other participants;

53.35 (6) management and program design;

- 54.1 (7) volunteer training and use of volunteers;
- 54.2 (8) staff development services;
- 54.3 (9) program sites and schedules;
- 54.4 (10) program expenditures that qualify for aid;
- 54.5 (11) program ability to provide data related to learner outcomes as required by
- 54.6 law; and
- 54.7 (12) a copy of the memorandum of understanding described in subdivision 1
- 54.8 submitted to the commissioner.
- 54.9 (b) Adult basic education programs may be approved under this subdivision for
- 54.10 up to five years. Five-year program approval must be granted to an applicant who has
- 54.11 demonstrated the capacity to:
- 54.12 (1) offer comprehensive learning opportunities and support service choices
- 54.13 appropriate for and accessible to adults at all basic skill and English language levels of need;
- 54.14 (2) provide a participatory and experiential learning approach based on the strengths,
- 54.15 interests, and needs of each adult, that enables adults with basic skill needs to:
- 54.16 (i) identify, plan for, and evaluate their own progress toward achieving their defined
- 54.17 educational and occupational goals;
- 54.18 (ii) master the basic academic reading, writing, and computational skills, as well
- 54.19 as the problem-solving, decision making, interpersonal effectiveness, and other life and
- 54.20 learning skills they need to function effectively in a changing society;
- 54.21 (iii) locate and be able to use the health, governmental, and social services and
- 54.22 resources they need to improve their own and their families' lives; and
- 54.23 (iv) continue their education, if they desire, to at least the level of secondary school
- 54.24 completion, with the ability to secure and benefit from continuing education that will
- 54.25 enable them to become more employable, productive, and responsible citizens;
- 54.26 (3) plan, coordinate, and develop cooperative agreements with community resources
- 54.27 to address the needs that the adults have for support services, such as transportation, English
- 54.28 language learning, flexible course scheduling, convenient class locations, and child care;
- 54.29 (4) collaborate with business, industry, labor unions, and employment-training
- 54.30 agencies, as well as with family and occupational education providers, to arrange for
- 54.31 resources and services through which adults can attain economic self-sufficiency;
- 54.32 (5) provide sensitive and well trained adult education personnel who participate in
- 54.33 local, regional, and statewide adult basic education staff development events to master
- 54.34 effective adult learning and teaching techniques;
- 54.35 (6) participate in regional adult basic education peer program reviews and evaluations;
- 54.36 (7) submit accurate and timely performance and fiscal reports;

55.1 (8) submit accurate and timely reports related to program outcomes and learner
55.2 follow-up information; and

55.3 (9) spend adult basic education aid on adult basic education purposes only, which
55.4 are specified in sections 124D.518 to 124D.531.

55.5 (c) The commissioner shall require each district to provide notification by February
55.6 1, 2001, of its intent to apply for funds under this section as a single district or as part of
55.7 ~~an identified~~ a consortium of districts. A district receiving funds under this section must
55.8 notify the commissioner by February 1 of its intent to change its application status for
55.9 applications due the following June 1.

55.10 ARTICLE 7

55.11 TEACHERS

55.12 Section 1. Minnesota Statutes 2014, section 120B.11, as amended by Laws 2015, First
55.13 Special Session chapter 3, article 3, section 5, is amended to read:

55.14 **120B.11 SCHOOL DISTRICT PROCESS FOR REVIEWING CURRICULUM,**
55.15 **INSTRUCTION, AND STUDENT ACHIEVEMENT; STRIVING FOR THE**
55.16 **WORLD'S BEST WORKFORCE.**

55.17 Subdivision 1. **Definitions.** For the purposes of this section and section 120B.10,
55.18 the following terms have the meanings given them.

55.19 (a) "Instruction" means methods of providing learning experiences that enable
55.20 a student to meet state and district academic standards and graduation requirements
55.21 including applied and experiential learning.

55.22 (b) "Curriculum" means district or school adopted programs and written plans for
55.23 providing students with learning experiences that lead to expected knowledge and skills
55.24 and career and college readiness.

55.25 (c) "World's best workforce" means striving to: meet school readiness goals; have
55.26 all third grade students achieve grade-level literacy; close the academic achievement gap
55.27 among all racial and ethnic groups of students and between students living in poverty
55.28 and students not living in poverty; have all students attain career and college readiness
55.29 before graduating from high school; ~~and~~ have all students graduate from high school; and
55.30 provide all enrolled students with equitable access to effective and more diverse teachers,
55.31 including teachers who are members of populations underrepresented among the licensed
55.32 teachers in the district or school, and who reflect the diversity of students under section
55.33 120B.35, subdivision 3, paragraph (b), clause (2), enrolled in the district or school.

56.1 (d) "Experiential learning" means learning for students that includes career
 56.2 exploration through a specific class or course or through work-based experiences such as
 56.3 job shadowing, mentoring, entrepreneurship, service learning, volunteering, internships,
 56.4 other cooperative work experience, youth apprenticeship, or employment.

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

56.7 (1) student performance on the National Assessment of Education Progress where
 56.8 applicable;

56.9 (2) the size of the academic achievement gap, rigorous course taking under section
 56.10 120B.35, subdivision 3, paragraph (c), clause (2), and enrichment experiences by student
 56.11 subgroup;

56.12 (3) student performance on the Minnesota Comprehensive Assessments;

56.13 (4) high school graduation rates; ~~and~~

56.14 (5) career and college readiness under section 120B.30, subdivision 1; and

56.15 (6) the number and percent of teachers who are members of populations
 56.16 underrepresented among the licensed teachers in the district or school and who reflect the
 56.17 diversity of students under section 120B.35, subdivision 3, paragraph (b), clause (2),
 56.18 enrolled in the district or school.

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

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

56.25 (2) a process for assessing and evaluating each student's progress toward meeting state
 56.26 and local academic standards and identifying the strengths and weaknesses of instruction
 56.27 in pursuit of student and school success and curriculum affecting students' progress and
 56.28 growth toward career and college readiness and leading to the world's best workforce;

56.29 (3) a system to periodically review and evaluate the effectiveness of all instruction
 56.30 and curriculum, taking into account strategies and best practices, student outcomes, school
 56.31 principal evaluations under section 123B.147, subdivision 3, students' access to effective
 56.32 teachers who are members of populations underrepresented among the licensed teachers
 56.33 in the district or school and who reflect the diversity of enrolled students under section
 56.34 120B.35, subdivision 3, paragraph (b), clause (2), and teacher evaluations under section
 56.35 122A.40, subdivision 8, or 122A.41, subdivision 5;

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

57.4 (5) education effectiveness practices that integrate high-quality instruction, rigorous
57.5 curriculum, technology, and a collaborative professional culture that develops and
57.6 supports teacher quality, performance, and effectiveness; and

57.7 (6) an annual budget for continuing to implement the district plan.

57.8 Subd. 3. **District advisory committee.** Each school board shall establish an
57.9 advisory committee to ensure active community participation in all phases of planning
57.10 and improving the instruction and curriculum affecting state and district academic
57.11 standards, consistent with subdivision 2. A district advisory committee, to the extent
57.12 possible, shall reflect the diversity of the district and its school sites, include teachers,
57.13 parents, support staff, students, and other community residents, and provide translation
57.14 to the extent appropriate and practicable. The district advisory committee shall pursue
57.15 community support to accelerate the academic and native literacy and achievement of
57.16 English learners with varied needs, from young children to adults, consistent with section
57.17 124D.59, subdivisions 2 and 2a. The district may establish site teams as subcommittees
57.18 of the district advisory committee under subdivision 4. The district advisory committee
57.19 shall recommend to the school board rigorous academic standards, student achievement
57.20 goals and measures consistent with subdivision 1a and sections 120B.022, subdivisions 1a
57.21 and 1b, and 120B.35, district assessments, means to improve students' equitable access to
57.22 effective and more diverse teachers, and program evaluations. School sites may expand
57.23 upon district evaluations of instruction, curriculum, assessments, or programs. Whenever
57.24 possible, parents and other community residents shall comprise at least two-thirds of
57.25 advisory committee members.

57.26 Subd. 4. **Site team.** A school may establish a site team to develop and implement
57.27 strategies and education effectiveness practices to improve instruction, curriculum,
57.28 cultural fluencies and competencies, including cultural awareness and cross-cultural
57.29 communication, and student achievement at the school site, consistent with subdivision
57.30 2. The team advises the board and the advisory committee about developing the
57.31 annual budget and revising an instruction and curriculum improvement plan that aligns
57.32 curriculum, assessment of student progress, and growth in meeting state and district
57.33 academic standards and instruction.

57.34 Subd. 5. **Report.** Consistent with requirements for school performance reports
57.35 under section 120B.36, subdivision 1, the school board shall publish a report in the local
57.36 newspaper with the largest circulation in the district, by mail, or by electronic means on

58.1 the district Web site. The school board shall hold an annual public meeting to review, and
58.2 revise where appropriate, student achievement goals, local assessment outcomes, plans,
58.3 strategies, and practices for improving curriculum and instruction and cultural competency
58.4 and all students' increased and equitable access to effective and more diverse teachers, and
58.5 to review district success in realizing the previously adopted student achievement goals
58.6 and related benchmarks and the improvement plans leading to the world's best workforce.
58.7 The school board must transmit an electronic summary of its report to the commissioner in
58.8 the form and manner the commissioner determines.

58.9 Subd. 7. **Periodic report.** Each school district shall periodically survey affected
58.10 constituencies, in their native languages where appropriate and practicable, about their
58.11 connection to and level of satisfaction with school. The district shall include the results of
58.12 this evaluation in the summary report required under subdivision 5.

58.13 Subd. 9. **Annual evaluation.** (a) The commissioner must identify effective
58.14 strategies, practices, and use of resources by districts and school sites in striving for the
58.15 world's best workforce. The commissioner must assist districts and sites throughout the
58.16 state in implementing these effective strategies, practices, and use of resources, and in
58.17 providing all enrolled students, including low-income students, American Indian students,
58.18 and students of color with improved and equitable access to effective and more diverse
58.19 teachers.

58.20 (b) The commissioner must identify those districts in any consecutive three-year
58.21 period not making sufficient progress toward improving teaching and learning for all
58.22 students, including English learners with varied needs, consistent with section 124D.59,
58.23 subdivisions 2 and 2a, and striving for the world's best workforce. The commissioner, in
58.24 collaboration with the identified district, may require the district to use up to two percent
58.25 of its basic general education revenue per fiscal year during the proximate three school
58.26 years to implement commissioner-specified strategies and practices, consistent with
58.27 paragraph (a), to improve and accelerate its progress in realizing its goals under this
58.28 section. In implementing this section, the commissioner must consider districts' budget
58.29 constraints and legal obligations.

58.30 (c) The commissioner shall report by January 25 of each year to the committees of
58.31 the legislature having jurisdiction over kindergarten through grade 12 education the list of
58.32 school districts that have not submitted their report to the commissioner under subdivision
58.33 5 and the list of school districts not achieving their performance goals established in
58.34 their plan under subdivision 2.

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

59.1 Sec. 2. Minnesota Statutes 2014, section 120B.11, subdivision 5, is amended to read:

59.2 Subd. 5. **Report.** (a) Consistent with requirements for school performance reports
59.3 under section 120B.36, subdivision 1, and paragraph (b), the school board shall publish
59.4 a report in the local newspaper with the largest circulation in the district, by mail, or
59.5 by electronic means on the district Web site. The school board shall hold an annual
59.6 public meeting to review, and revise where appropriate, student achievement goals,
59.7 local assessment outcomes, plans, strategies, and practices for improving curriculum
59.8 and instruction and cultural competency, and to review district success in realizing
59.9 the previously adopted student achievement goals and related benchmarks and the
59.10 improvement plans leading to the world's best workforce. The school board must transmit
59.11 an electronic summary of its report to the commissioner in the form and manner the
59.12 commissioner determines.

59.13 (b) Each school board must include in its annual report under paragraph (a) data on:

59.14 (1) the number of licensed teachers employed by the district who self-identify as
59.15 non-Caucasian and who are members of a population underrepresented among licensed
59.16 teachers in the district;

59.17 (2) the number of community experts providing instruction in the district during the
59.18 school year and the subject areas they teach;

59.19 (3) the school year testing schedule for the district showing grade levels and
59.20 assessments and the time allotted for each assessment; and

59.21 (4) the class sizes for the district's prekindergarten through grade 6 classrooms.

59.22 The format for reporting the data must comply with the model data-reporting format
59.23 developed by the commissioner.

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

59.26 Sec. 3. Minnesota Statutes 2014, section 120B.35, subdivision 3, is amended to read:

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

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

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

60.7 (1) report student growth consistent with this paragraph; and
60.8 (2) for all student categories, report and compare aggregated and disaggregated state
60.9 growth data using the ~~nine~~ student categories identified under the federal ~~2001 No Child~~
60.10 ~~Left Behind Act and two student gender categories of male and female, respectively~~
60.11 Elementary and Secondary Education Act, as most recently reauthorized, following
60.12 appropriate reporting practices to protect nonpublic student data.

60.13 The commissioner must report measures of student growth, consistent with this
60.14 paragraph, including the English language development, academic progress, and oral
60.15 academic development of English learners and their native language development if the
60.16 native language is used as a language of instruction.

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

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

60.26 (2) a rigorous coursework measure indicating the number and percentage of high
60.27 school graduates in the most recent school year who successfully completed one or more
60.28 college-level advanced placement, international baccalaureate, postsecondary enrollment
60.29 options including concurrent enrollment, other rigorous courses of study under section
60.30 120B.021, subdivision 1a, or industry certification courses or programs.

60.31 When reporting the core measures under clauses (1) and (2), the commissioner must also
60.32 analyze and report separate categories of information using the nine student categories
60.33 identified under the federal ~~2001 No Child Left Behind Act and two student gender~~
60.34 ~~categories of male and female, respectively~~ Elementary and Secondary Education Act, as
60.35 most recently reauthorized, following appropriate reporting practices to protect nonpublic
60.36 student data.

61.1 (d) When reporting student performance under section 120B.36, subdivision 1, the
 61.2 commissioner annually, beginning July 1, 2014, must report summary data on school
 61.3 safety and students' engagement and connection at school. The summary data under this
 61.4 paragraph are separate from and must not be used for any purpose related to measuring
 61.5 or evaluating the performance of classroom teachers. The commissioner, in consultation
 61.6 with qualified experts on student engagement and connection and classroom teachers,
 61.7 must identify highly reliable variables that generate summary data under this paragraph.
 61.8 The summary data may be used at school, district, and state levels only. Any data on
 61.9 individuals received, collected, or created that are used to generate the summary data
 61.10 under this paragraph are nonpublic data under section 13.02, subdivision 9.

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

- 61.16 (1) the four- and six-year graduation rates of students under this paragraph;
- 61.17 (2) the percent of students under this paragraph whose progress and performance
 61.18 levels are meeting career and college readiness benchmarks under section 120B.30,
 61.19 subdivision 1; and
- 61.20 (3) the success that learning year program providers experience in:
 - 61.21 (i) identifying at-risk and off-track student populations by grade;
 - 61.22 (ii) providing successful prevention and intervention strategies for at-risk students;
 - 61.23 (iii) providing successful recuperative and recovery or reenrollment strategies for
 61.24 off-track students; and
 - 61.25 (iv) improving the graduation outcomes of at-risk and off-track students.

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

61.28 (f) The commissioner, in consultation with recognized experts with knowledge and
 61.29 experience in assessing the language proficiency and academic performance of English
 61.30 learners, must identify and report appropriate and effective measures to improve current
 61.31 categories of language difficulty and assessments, and monitor and report data on students'
 61.32 English proficiency levels, program placement, and academic language development,
 61.33 including oral academic language.

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

62.1 Sec. 4. Minnesota Statutes 2014, section 122A.09, as amended by Laws 2015, chapter
62.2 69, article 2, section 3, and Laws 2015, First Special Session chapter 3, article 2, sections
62.3 9 to 11, is amended to read:

62.4 **122A.09 DUTIES.**

62.5 Subdivision 1. **Code of ethics.** The Board of Teaching must develop by rule a code
62.6 of ethics covering standards of professional teaching practices, including areas of ethical
62.7 conduct and professional performance and methods of enforcement.

62.8 Subd. 2. **Advise members of profession.** The board must act in an advisory
62.9 capacity to members of the profession in matters of interpretation of the code of ethics.

62.10 Subd. 3. **Election of chair and officers.** The board shall elect a chair and such
62.11 other officers as it may deem necessary.

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

62.14 (b) The board must require all candidates for teacher licensure to demonstrate a
62.15 passing score on a board-adopted skills examination in reading, writing, and mathematics,
62.16 as a requirement for an initial teacher licensure professional five-year teaching license,
62.17 except that the board may issue up to four ~~temporary~~, initial professional one-year teaching
62.18 licenses to an otherwise qualified candidate who has not yet passed the board-adopted
62.19 skills exam. The board must require colleges and universities offering a board-approved
62.20 teacher preparation program to provide remedial assistance to persons who did not achieve
62.21 a qualifying score on the board-adopted skills examination, including those for whom
62.22 English is a second language. The requirement to pass a board-adopted reading, writing,
62.23 and mathematics skills examination does not apply to nonnative English speakers, as
62.24 verified by qualified Minnesota school district personnel or Minnesota higher education
62.25 faculty, who, after meeting the content and pedagogy requirements under this subdivision,
62.26 apply for a teaching license to provide direct instruction in their native language or world
62.27 language instruction under section 120B.022, subdivision 1. The Board of Teaching and
62.28 the entity administering the content, pedagogy, and skills examinations must allow any
62.29 individual who produces documentation of a disability in the form of an evaluation, 504
62.30 plan, or individual education program (IEP) to receive the same testing accommodations
62.31 on the content, pedagogy, and skills examinations that the applicant received during their
62.32 secondary or postsecondary education.

62.33 (c) The board must adopt rules to approve teacher preparation programs. The board,
62.34 upon the request of a postsecondary student preparing for teacher licensure or a licensed
62.35 graduate of a teacher preparation program, shall assist in resolving a dispute between the
62.36 person and a postsecondary institution providing a teacher preparation program when the

63.1 dispute involves an institution's recommendation for licensure affecting the person or the
63.2 person's credentials. At the board's discretion, assistance may include the application
63.3 of chapter 14.

63.4 (d) The board must provide the leadership and adopt rules for the redesign of teacher
63.5 education programs to implement a research based, results-oriented curriculum that
63.6 focuses on the skills teachers need in order to be effective. Among other components,
63.7 teacher preparation programs may use the Minnesota State Colleges and Universities
63.8 program model to provide a school-year-long student teaching program that combines
63.9 clinical opportunities with academic coursework and in-depth student teaching
63.10 experiences to offer students ongoing mentorship, coaching, and assessment, help to
63.11 prepare a professional development plan, and structured learning experiences. The board
63.12 shall implement new systems of teacher preparation program evaluation to assure program
63.13 effectiveness based on proficiency of graduates in demonstrating attainment of program
63.14 outcomes. Teacher preparation programs including alternative teacher preparation
63.15 programs under section 122A.245, among other programs, must include a content-specific,
63.16 board-approved, performance-based assessment that measures teacher candidates in three
63.17 areas: planning for instruction and assessment; engaging students and supporting learning;
63.18 and assessing student learning. The board's redesign rules must include creating flexible,
63.19 specialized teaching licenses, credentials, and other endorsement forms to increase
63.20 students' participation in language immersion programs, world language instruction,
63.21 career development opportunities, work-based learning, early college courses and careers,
63.22 career and technical programs, Montessori schools, and project and place-based learning,
63.23 among other career and college ready learning offerings.

63.24 (e) The board must adopt rules requiring candidates for ~~initial~~ professional
63.25 five-year teaching licenses to pass an examination of general pedagogical knowledge
63.26 and examinations of licensure-specific teaching skills. The rules shall be effective by
63.27 September 1, 2001. The rules under this paragraph also must require candidates for initial
63.28 licenses to teach prekindergarten or elementary students to pass, as part of the examination
63.29 of licensure-specific teaching skills, test items assessing the candidates' knowledge,
63.30 skill, and ability in comprehensive, scientifically based reading instruction under section
63.31 122A.06, subdivision 4, and their knowledge and understanding of the foundations of
63.32 reading development, the development of reading comprehension, and reading assessment
63.33 and instruction, and their ability to integrate that knowledge and understanding.

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

64.1 (g) The board must grant licenses to interns and to candidates for ~~initial~~ professional
 64.2 five-year teaching licenses based on appropriate professional competencies that are
 64.3 aligned with the board's licensing system and students' diverse learning needs. All teacher
 64.4 candidates must have preparation in English language development and content instruction
 64.5 for English learners in order to be able to effectively instruct the English learners in their
 64.6 classrooms. The board must include these licenses in a statewide differentiated licensing
 64.7 system that creates new leadership roles for successful experienced teachers premised on a
 64.8 collaborative professional culture dedicated to meeting students' diverse learning needs
 64.9 in the 21st century, recognizes the importance of cultural and linguistic competencies,
 64.10 including the ability to teach and communicate in culturally competent and aware ways,
 64.11 and formalizes mentoring and induction for newly licensed teachers provided through a
 64.12 teacher support framework.

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

64.16 ~~(i)~~ (h) The board must receive recommendations from local committees as established
 64.17 by the board for the renewal of teaching licenses. The board must require a licensed
 64.18 ~~teachers~~ teacher who are is renewing a continuing license professional five-year teaching
 64.19 license to include in the renewal requirements further preparation in English language
 64.20 development and specially designed content instruction in English for English learners.

64.21 ~~(j)~~ (i) The board must grant ~~life~~ lifetime substitute licenses to those who qualify
 64.22 according to board requirements ~~established by the board~~, and suspend or revoke licenses
 64.23 ~~pursuant to~~ under sections 122A.20 and 214.10. The board must not establish any
 64.24 expiration date for application for ~~life~~ lifetime substitute licenses.

64.25 ~~(k)~~ (j) The board must adopt rules that require all licensed teachers who are renewing
 64.26 their ~~continuing license professional five-year teaching licenses~~ to include in their renewal
 64.27 requirements further preparation in the areas of using positive behavior interventions
 64.28 and in accommodating, modifying, and adapting curricula, materials, and strategies to
 64.29 appropriately meet the needs of individual students and ensure adequate progress toward
 64.30 the state's graduation rule.

64.31 ~~(l)~~ (k) In adopting rules to license public school teachers who provide health-related
 64.32 services for disabled children, the board shall adopt rules consistent with license or
 64.33 registration requirements of the commissioner of health and the health-related boards who
 64.34 license personnel who perform similar services outside of the school.

64.35 ~~(m)~~ (l) The board must adopt rules that require all licensed teachers who are
 64.36 renewing their ~~continuing license professional five-year teaching licenses~~ to include in

65.1 their renewal requirements further reading preparation, consistent with section 122A.06,
 65.2 subdivision 4. The rules do not take effect until they are approved by law. Teachers who
 65.3 do not provide direct instruction including, at least, counselors, school psychologists,
 65.4 school nurses, school social workers, audiovisual directors and coordinators, and
 65.5 recreation personnel are exempt from this section.

65.6 ~~(n)~~ (m) The board must adopt rules that require all licensed teachers who are
 65.7 renewing their ~~continuing license~~ professional five-year teaching licenses to include
 65.8 in their renewal requirements at least one hour of suicide prevention best practices in
 65.9 each licensure renewal period that are based on nationally recognized evidence-based
 65.10 programs and practices and further preparation, first, in understanding the key warning
 65.11 signs of early-onset mental illness in children and adolescents and then, during
 65.12 subsequent licensure renewal periods, preparation may include providing a more in-depth
 65.13 understanding of students' mental illness trauma, accommodations for students' mental
 65.14 illness, parents' role in addressing students' mental illness, Fetal Alcohol Spectrum
 65.15 Disorders, autism, the requirements of section 125A.0942 governing restrictive
 65.16 procedures, and de-escalation methods, among other similar topics.

65.17 ~~(o)~~ (n) The board must adopt rules by January 1, 2016, to license applicants under
 65.18 sections 122A.23 and 122A.245. The rules must permit applicants to demonstrate their
 65.19 qualifications through the board's recognition of a teaching license from another state
 65.20 in a similar content field, completion of a state-approved teacher preparation program,
 65.21 teaching experience as the teacher of record in a similar licensure field, depth of content
 65.22 knowledge, depth of content methods or general pedagogy, subject-specific professional
 65.23 development and contribution to the field, or classroom performance as determined by
 65.24 documented student growth on normed assessments or documented effectiveness on
 65.25 evaluations. The rules must adopt criteria for determining a "similar content field" and
 65.26 "similar licensure area."

65.27 Subd. 4a. **Teacher and administrator preparation and performance data;**
 65.28 **report.** (a) The Board of Teaching and the Board of School Administrators, in cooperation
 65.29 with the Minnesota Association of Colleges of Teacher Education and Minnesota colleges
 65.30 and universities offering board-adopted teacher or administrator preparation programs,
 65.31 annually must collect and report summary data on teacher and administrator preparation
 65.32 and performance outcomes, consistent with this subdivision. The Board of Teaching
 65.33 and the Board of School Administrators annually by June 1 must update and post the
 65.34 reported summary preparation and performance data on teachers and administrators from
 65.35 the preceding school years on a Web site hosted jointly by the boards.

66.1 (b) Publicly reported summary data on teacher preparation programs must include:
66.2 student entrance requirements for each Board of Teaching-approved program, including
66.3 grade point average for enrolling students in the preceding year; the average board-adopted
66.4 skills examination or ACT or SAT scores of students entering the program in the preceding
66.5 year; summary data on faculty qualifications, including at least the content areas of faculty
66.6 undergraduate and graduate degrees and their years of experience either as kindergarten
66.7 through grade 12 classroom teachers or school administrators; the average time resident
66.8 and nonresident program graduates in the preceding year needed to complete the program;
66.9 the current number and percent of students by program who graduated, received a standard
66.10 Minnesota teaching license, and were hired to teach full time in their licensure field in a
66.11 Minnesota district or school in the preceding year; the number of content area credits and
66.12 other credits by undergraduate program that students in the preceding school year needed
66.13 to complete to graduate; students' pass rates on skills and subject matter exams required for
66.14 graduation in each program and licensure area in the preceding school year; survey results
66.15 measuring student and graduate satisfaction with the program in the preceding school
66.16 year; a standard measure of the satisfaction of school principals or supervising teachers
66.17 with the student teachers assigned to a school or supervising teacher; and information
66.18 under paragraphs (d) and (e). Program reporting must be consistent with subdivision 11.

66.19 (c) Publicly reported summary data on administrator preparation programs
66.20 approved by the Board of School Administrators must include: summary data on faculty
66.21 qualifications, including at least the content areas of faculty undergraduate and graduate
66.22 degrees and their years of experience either as kindergarten through grade 12 classroom
66.23 teachers or school administrators; the average time program graduates in the preceding
66.24 year needed to complete the program; the current number and percent of students who
66.25 graduated, received a standard Minnesota administrator license, and were employed as an
66.26 administrator in a Minnesota school district or school in the preceding year; the number of
66.27 credits by graduate program that students in the preceding school year needed to complete
66.28 to graduate; survey results measuring student, graduate, and employer satisfaction with
66.29 the program in the preceding school year; and information under paragraphs (f) and (g).
66.30 Program reporting must be consistent with section 122A.14, subdivision 10.

66.31 (d) School districts annually by October 1 must report to the Board of Teaching
66.32 the following information for all teachers who finished the probationary period and
66.33 accepted a continuing contract position with the district from September 1 of the previous
66.34 year through August 31 of the current year: the effectiveness category or rating of the
66.35 teacher on the summative evaluation under section 122A.40, subdivision 8, or 122A.41,
66.36 subdivision 5; the licensure area in which the teacher primarily taught during the

67.1 three-year evaluation cycle; and the teacher preparation program preparing the teacher in
67.2 the teacher's primary areas of instruction and licensure.

67.3 (e) School districts annually by October 1 must report to the Board of Teaching the
67.4 following information for all probationary teachers in the district who were released or
67.5 whose contracts were not renewed from September 1 of the previous year through August
67.6 31 of the current year: the licensure areas in which the probationary teacher taught; and
67.7 the teacher preparation program preparing the teacher in the teacher's primary areas of
67.8 instruction and licensure.

67.9 (f) School districts annually by October 1 must report to the Board of School
67.10 Administrators the following information for all school principals and assistant principals
67.11 who finished the probationary period and accepted a continuing contract position with the
67.12 district from September 1 of the previous year through August 31 of the current year: the
67.13 effectiveness category or rating of the principal or assistant principal on the summative
67.14 evaluation under section 123B.147, subdivision 3; and the principal preparation program
67.15 providing instruction to the principal or assistant principal.

67.16 (g) School districts annually by October 1 must report to the Board of School
67.17 Administrators all probationary school principals and assistant principals in the district
67.18 who were released or whose contracts were not renewed from September 1 of the previous
67.19 year through August 31 of the current year.

67.20 Subd. 5. **Commissioner's representative to comment on proposed rule.** ~~Prior~~
67.21 ~~to the adoption by~~ Before the Board of Teaching ~~of~~ adopts any rule ~~which~~ that must be
67.22 submitted to public hearing, a representative of the commissioner shall appear before the
67.23 Board of Teaching and at the hearing required ~~pursuant to~~ under section 14.14, subdivision
67.24 1, to comment on the cost and educational implications of that proposed rule.

67.25 Subd. 6. **Register of persons licensed.** The executive secretary of the Board of
67.26 Teaching shall keep a record of the proceedings of and a register of all persons licensed
67.27 pursuant to the provisions of this chapter. The register must show the name, address,
67.28 license number and the renewal of the license. The board must on July 1, of each year
67.29 or as soon thereafter as is practicable, compile a list of such duly licensed teachers and
67.30 transmit a copy of the list to the board. A copy of the register must be available during
67.31 business hours at the office of the board to any interested person.

67.32 Subd. 7. **Commissioner's assistance; board money.** The commissioner shall
67.33 provide all necessary materials and assistance for the transaction of the business of the
67.34 Board of Teaching and all moneys received by the Board of Teaching shall be paid into
67.35 the state treasury as provided by law. The expenses of administering sections 122A.01,
67.36 122A.05 to 122A.09, 122A.15, 122A.16, 122A.17, 122A.18, 122A.20, 122A.21, 122A.22,

68.1 122A.23, 122A.26, 122A.30, 122A.40, 122A.41, 122A.42, 122A.45, 122A.49, 122A.54,
68.2 122A.55, 122A.56, 122A.57, and 122A.58 which are incurred by the Board of Teaching
68.3 shall be paid for from appropriations made to the Board of Teaching.

68.4 Subd. 8. **Fraud; gross misdemeanor.** A person who claims to be a licensed teacher
68.5 without a valid existing license issued by the board or any person who employs fraud or
68.6 deception in applying for or securing a license is guilty of a gross misdemeanor.

68.7 Subd. 9. **Board may adopt rules.** The Board of Teaching may adopt rules subject
68.8 to the provisions of chapter 14 to implement sections 122A.05 to 122A.09, 122A.16,
68.9 122A.17, 122A.18, 122A.20, 122A.21, and 122A.23.

68.10 Subd. 10. ~~Variances~~ **Permissions.** (a) Notwithstanding subdivision 9 and section
68.11 ~~14.05, subdivision 4 14.055,~~ the Board of Teaching may grant a variance waivers to its
68.12 rules upon application by a school district for purposes of implementing experimental
68.13 programs in learning or management.

68.14 (b) To enable a school district to meet the needs of students enrolled in an alternative
68.15 education program and to enable licensed teachers instructing those students to satisfy
68.16 content area licensure requirements, the Board of Teaching annually may permit a licensed
68.17 teacher teaching in an alternative education program to instruct students in a content area
68.18 for which the teacher is not licensed, consistent with paragraph (a).

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

68.21 (d) The Board of Teaching may grant a one-year restricted license under paragraph
68.22 (a) to allow a person holding a full credential from the American Montessori Society, a
68.23 diploma from Association Montessori Internationale, or a certificate of completion from a
68.24 program accredited by the Montessori Accreditation Council for Teacher Education to
68.25 teach in a Montessori program operated by a school district or charter school.

68.26 Subd. 11. **Teacher preparation program reporting.** By December 31, 2018, and
68.27 annually thereafter, the Board of Teaching shall report and publish on its Web site the
68.28 cumulative summary results of at least three consecutive years of data reported to the board
68.29 under subdivision 4a, paragraph (b). Where the data are sufficient to yield statistically
68.30 reliable information and the results would not reveal personally identifiable information
68.31 about an individual teacher, the board shall report the data by teacher preparation program.

68.32 **EFFECTIVE DATE.** Subdivision 4, paragraph (m), is effective the day following
68.33 final enactment and applies to teachers renewing their teaching licenses beginning August
68.34 1, 2017. Subdivision 10, paragraph (d), of this section is effective for the 2016-2017
68.35 through 2018-2019 school years.

69.1 Sec. 5. Minnesota Statutes 2014, section 122A.09, is amended by adding a subdivision
69.2 to read:

69.3 Subd. 12. **Endorsement; dual enrollment instruction.** The Board of Teaching
69.4 must issue an endorsement for dual enrollment instruction to a high school teacher
69.5 licensed in a content-specific field who successfully completes the faculty qualification
69.6 requirements established by the Higher Learning Commission. The licensure endorsement
69.7 must allow the teacher to provide dual enrollment instruction in the teacher's licensure
69.8 field, consistent with board-adopted standards. The board must adopt standards for this
69.9 endorsement in consultation with eligible public postsecondary institutions participating
69.10 in course agreements under section 124D.09, subdivision 10. The endorsement means a
69.11 change in the teacher's license that allows the teacher to teach postsecondary college in the
69.12 schools dual credit courses under section 124D.09, subdivision 10.

69.13 **EFFECTIVE DATE.** This section is effective the day following final enactment.
69.14 The Board of Teaching must start issuing endorsements by September 1, 2017.

69.15 Sec. 6. Minnesota Statutes 2014, section 122A.18, as amended by Laws 2015, First
69.16 Special Session chapter 3, article 2, sections 14 and 15, is amended to read:

69.17 **122A.18 BOARD TO ISSUE LICENSES.**

69.18 Subdivision 1. **Authority to license.** (a) The Board of Teaching must license
69.19 teachers, as defined in section 122A.15, subdivision 1, except for supervisory personnel,
69.20 as defined in section 122A.15, subdivision 2.

69.21 (b) The Board of School Administrators must license supervisory personnel as
69.22 defined in section 122A.15, subdivision 2, except for athletic coaches.

69.23 (c) Licenses under the jurisdiction of the Board of Teaching, the Board of School
69.24 Administrators, and the commissioner of education must be issued through the licensing
69.25 section of the department.

69.26 (d) The Board of Teaching and the Department of Education must enter into a data
69.27 sharing agreement to share educational data at the E-12 level for the limited purpose
69.28 of program approval and improvement for teacher education programs. The program
69.29 approval process must include targeted redesign of teacher preparation programs to
69.30 address identified E-12 student areas of concern.

69.31 (e) The Board of School Administrators and the Department of Education must enter
69.32 into a data sharing agreement to share educational data at the E-12 level for the limited
69.33 purpose of program approval and improvement for education administration programs.

70.1 The program approval process must include targeted redesign of education administration
70.2 preparation programs to address identified E-12 student areas of concern.

70.3 (f) For purposes of the data sharing agreements under paragraphs (d) and (e), the
70.4 Board of Teaching, Board of School Administrators, and Department of Education may
70.5 share private data, as defined in section 13.02, subdivision 12, on teachers and school
70.6 administrators. The data sharing agreements must not include educational data, as defined
70.7 in section 13.32, subdivision 1, but may include summary data, as defined in section
70.8 13.02, subdivision 19, derived from educational data.

70.9 Subd. 2. **Teacher and support personnel qualifications.** (a) The Board of Teaching
70.10 must issue licenses under its jurisdiction to persons the board finds to be qualified and
70.11 competent for their respective positions, including those meeting the standards adopted
70.12 under section 122A.09, subdivision 4, paragraph ~~(o)~~ (n).

70.13 (b) The board must require a candidate for teacher licensure to demonstrate a passing
70.14 score on a board-adopted examination of skills in reading, writing, and mathematics,
70.15 before being granted ~~an initial~~ a professional five-year teaching license to provide direct
70.16 instruction to pupils in prekindergarten, elementary, secondary, or special education
70.17 programs, except that the board may issue up to four temporary, one-year teaching licenses
70.18 to an otherwise qualified candidate who has not yet passed a board-adopted skills exam.
70.19 At the request of the employing school district or charter school, the Board of Teaching
70.20 may issue ~~a restricted~~ an initial professional one-year teaching license to an otherwise
70.21 qualified teacher not passing or demonstrating a passing score on a board-adopted skills
70.22 examination in reading, writing, and mathematics. For purposes of this section, the
70.23 ~~restricted~~ initial professional one-year teaching license issued by the board is limited to the
70.24 current subject or content matter the teacher is employed to teach and limited to the district
70.25 or charter school requesting the ~~restricted~~ initial professional one-year teaching license. If
70.26 the board denies the request, it must provide a detailed response to the school administrator
70.27 as to the reasons for the denial. The board must require colleges and universities offering
70.28 a board approved teacher preparation program to make available upon request remedial
70.29 assistance that includes a formal diagnostic component to persons enrolled in their
70.30 institution who did not achieve a qualifying score on a board-adopted skills examination,
70.31 including those for whom English is a second language. The colleges and universities
70.32 must make available assistance in the specific academic areas of candidates' deficiency.
70.33 School districts may make available upon request similar, appropriate, and timely remedial
70.34 assistance that includes a formal diagnostic component to those persons employed by the
70.35 district who completed their teacher education program, who did not achieve a qualifying
70.36 score on a board-adopted skills examination, and who received ~~a temporary~~ an initial

71.1 professional one-year teaching license to teach in Minnesota. The Board of Teaching
 71.2 shall report annually to the education committees of the legislature on the total number
 71.3 of teacher candidates during the most recent school year taking a board-adopted skills
 71.4 examination, the number who achieve a qualifying score on the examination, the number
 71.5 who do not achieve a qualifying score on the examination, and the candidates who have
 71.6 not passed a content or pedagogy exam, disaggregated by categories of race, ethnicity,
 71.7 and eligibility for financial aid.

71.8 (c) The Board of Teaching must grant ~~continuing~~ professional five-year teaching
 71.9 licenses only to those persons who have met board criteria for ~~granting a continuing~~ that
 71.10 license, which includes passing a board-adopted skills examination in reading, writing, and
 71.11 mathematics, and the exceptions in section 122A.09, subdivision 4, paragraph (b), that are
 71.12 consistent with this paragraph. The requirement to pass a board-adopted reading, writing,
 71.13 and mathematics skills examination, does not apply to nonnative English speakers, as
 71.14 verified by qualified Minnesota school district personnel or Minnesota higher education
 71.15 faculty, who, after meeting the content and pedagogy requirements under this subdivision,
 71.16 apply for a professional five-year teaching license to provide direct instruction in their
 71.17 native language or world language instruction under section 120B.022, subdivision 1.

71.18 (d) All colleges and universities approved by the board of teaching to prepare persons
 71.19 for teacher licensure must include in their teacher preparation programs a common core
 71.20 of teaching knowledge and skills to be acquired by all persons recommended for teacher
 71.21 licensure. Among other requirements, teacher candidates must demonstrate the knowledge
 71.22 and skills needed to provide appropriate instruction to English learners to support and
 71.23 accelerate their academic literacy, including oral academic language, and achievement in
 71.24 content areas in a regular classroom setting. This common core shall meet the standards
 71.25 developed by the interstate new teacher assessment and support consortium in its 1992
 71.26 "model standards for beginning teacher licensing and development." Amendments to
 71.27 standards adopted under this paragraph are covered by chapter 14. The board of teaching
 71.28 shall report annually to the education committees of the legislature on the performance
 71.29 of teacher candidates on common core assessments of knowledge and skills under this
 71.30 paragraph during the most recent school year.

71.31 Subd. 2a. **Reading strategies.** (a) All colleges and universities approved by the
 71.32 Board of Teaching to prepare persons for classroom teacher licensure must include in
 71.33 their teacher preparation programs research-based best practices in reading, consistent
 71.34 with section 122A.06, subdivision 4, that enable the licensure candidate to know how to
 71.35 teach reading in the candidate's content areas. Teacher candidates must be instructed
 71.36 in using students' native languages as a resource in creating effective differentiated

72.1 instructional strategies for English learners developing literacy skills. These colleges and
 72.2 universities also must prepare early childhood and elementary teacher candidates for initial
 72.3 professional five-year teaching licenses to teach prekindergarten or elementary students
 72.4 for the assessment of reading instruction portion of the examination of licensure-specific
 72.5 teaching skills under section 122A.09, subdivision 4, paragraph (e), covering assessment
 72.6 of reading instruction.

72.7 (b) Board-approved teacher preparation programs for teachers of elementary
 72.8 education must require instruction ~~in the application of~~ in applying comprehensive,
 72.9 scientifically based, and balanced reading instruction programs that:

72.10 (1) teach students to read using foundational knowledge, practices, and strategies
 72.11 consistent with section 122A.06, subdivision 4, so that all students ~~will~~ achieve continuous
 72.12 progress in reading; and

72.13 (2) teach specialized instruction in reading strategies, interventions, and remediations
 72.14 that enable students of all ages and proficiency levels to become proficient readers.

72.15 (c) Nothing in this section limits the authority of a school district to select a school's
 72.16 reading program or curriculum.

72.17 Subd. 2b. **Reading specialist.** Not later than July 1, 2002, the Board of Teaching
 72.18 must adopt rules providing for the reading teacher licensure ~~of teachers of reading~~.

72.19 Subd. 3. **Supervisory and coach qualifications; code of ethics.** The commissioner
 72.20 of education must issue licenses under its jurisdiction to persons the commissioner finds
 72.21 to be qualified and competent for their respective positions under the rules it adopts.
 72.22 The commissioner of education may develop, by rule, a code of ethics for supervisory
 72.23 personnel covering standards of professional practices, including areas of ethical conduct
 72.24 and professional performance and methods of enforcement.

72.25 Subd. 3a. **Technology strategies.** All colleges and universities approved by the
 72.26 Board of Teaching to prepare persons for classroom teacher licensure must include in their
 72.27 teacher preparation programs the knowledge and skills teacher candidates need to deliver
 72.28 digital and blended learning and curriculum and engage students with technology.

72.29 Subd. 4. **Expiration and renewal.** (a) Each license the Department of Education
 72.30 issues through its licensing section must bear the date of issue and the name of the
 72.31 state-approved teacher training provider. Licenses must expire and be renewed according
 72.32 to the respective rules the Board of Teaching, the Board of School Administrators, or the
 72.33 commissioner of education adopts. Requirements for renewing a license must include
 72.34 showing satisfactory evidence of successful teaching or administrative experience for
 72.35 at least one school year during the period covered by the license in grades or subjects
 72.36 for which the license is valid or completing such additional preparation as the Board of

73.1 Teaching prescribes. The Board of School Administrators shall establish requirements for
 73.2 renewing the licenses of supervisory personnel except athletic coaches. The State Board
 73.3 of Teaching shall establish requirements for renewing the licenses of athletic coaches.

73.4 (b) ~~Relicensure~~ Applicants for license renewal who have been employed as a teacher
 73.5 during the renewal period of their expiring license, as a condition of ~~relicensure~~ license
 73.6 renewal, must present to their local continuing education and relicensure committee
 73.7 or other local relicensure committee evidence of work that demonstrates professional
 73.8 reflection and growth in best teaching practices, including among other things, practices in
 73.9 meeting the varied needs of English learners, from young children to adults under section
 73.10 124D.59, subdivisions 2 and 2a. The applicant must include a reflective statement of
 73.11 professional accomplishment and the applicant's own assessment of professional growth
 73.12 showing evidence of:

73.13 (1) support for student learning;

73.14 (2) use of best practices techniques and their applications to student learning;

73.15 (3) collaborative work with colleagues that includes examples of collegiality such as
 73.16 attested-to committee work, collaborative staff development programs, and professional
 73.17 learning community work; or

73.18 (4) continual professional development that may include (i) job-embedded or other
 73.19 ongoing formal professional learning or (ii) for teachers employed for only part of the
 73.20 renewal period of their expiring license, other similar professional development efforts
 73.21 made during the relicensure period.

73.22 The Board of Teaching must ensure that its teacher relicensing requirements also include
 73.23 this paragraph.

73.24 (c) The Board of Teaching shall offer alternative ~~continuing relicensure~~ options for
 73.25 license renewal for teachers who are accepted into and complete the National Board for
 73.26 Professional Teaching Standards certification process, and offer additional continuing
 73.27 relicensure options for teachers who earn National Board for Professional Teaching
 73.28 Standards certification. Continuing relicensure requirements for teachers who do not
 73.29 maintain National Board for Professional Teaching Standards certification are those the
 73.30 board prescribes, consistent with this section.

73.31 ~~Subd. 4a. **Limited provisional licenses.** The board may grant two-year provisional~~
 73.32 ~~licenses to licensure candidates in a field in which they were not previously licensed or in a~~
 73.33 ~~field in which a shortage of licensed teachers exists. A shortage is defined as an inadequate~~
 73.34 ~~supply of licensed personnel in a given licensure area as determined by the commissioner.~~

73.35 ~~Subd. 5. **Effective date.** Nothing contained herein shall be construed as affecting~~
 73.36 ~~the validity of a permanent certificate or license issued prior to July 1, 1969.~~

74.1 Subd. 6. **Human relations.** The Board of Teaching and the commissioner of
 74.2 education shall accept training programs completed through Peace Corps, VISTA, or
 74.3 Teacher Corps in lieu of ~~completion of~~ completing the human relations component of the
 74.4 training program for purposes of issuing or renewing a teaching license in education.

74.5 ~~Subd. 7. **Limited provisional licenses.** The Board of Teaching may grant~~
 74.6 ~~provisional licenses, which shall be valid for two years, in fields in which licenses were not~~
 74.7 ~~issued previously or in fields in which a shortage of licensed teachers exists. A shortage is~~
 74.8 ~~defined as a lack of or an inadequate supply of licensed personnel within a given licensure~~
 74.9 ~~area in a school district that has notified the Board of Teaching of the shortage and has~~
 74.10 ~~applied to the Board of Teaching for provisional licenses for that district's licensed staff.~~

74.11 Subd. 7a. **Permission to substitute teach.** (a) The Board of Teaching may allow a
 74.12 person who is enrolled in and making satisfactory progress in a board-approved teacher
 74.13 program and who has successfully completed student teaching to be employed as a
 74.14 short-call substitute teacher.

74.15 (b) The Board of Teaching may issue a lifetime ~~qualified short-call~~ substitute
 74.16 teaching license to a person who:

74.17 (1) was a qualified teacher under section 122A.16 while holding a ~~continuing~~
 74.18 ~~professional~~ five-year teaching license issued by the board, and receives a retirement
 74.19 annuity from the Teachers Retirement Association or the St. Paul Teachers Retirement
 74.20 Fund Association;

74.21 (2) holds an out-of-state teaching license and receives a retirement annuity as a
 74.22 result of the person's teaching experience; or

74.23 (3) held a ~~continuing professional~~ five-year teaching license issued by the board,
 74.24 taught at least three school years in an accredited nonpublic school in Minnesota, and
 74.25 receives a retirement annuity as a result of the person's teaching experience.

74.26 A person holding a lifetime qualified short-call substitute teaching license is not required
 74.27 to complete continuing education clock hours. A person holding this license may reapply
 74.28 to the board for a ~~continuing professional~~ five-year teaching license and must again
 74.29 complete continuing education clock hours one school year after receiving the ~~continuing~~
 74.30 ~~professional~~ five-year teaching license.

74.31 Subd. 7b. ~~Temporary limited licenses~~ Provisional permission; personnel
 74.32 ~~variances~~ variance; emergency permission. (a) ~~The Board of Teaching must accept~~
 74.33 ~~applications for a temporary limited teaching license beginning July 1 of the school year~~
 74.34 ~~for which the license is requested and must issue or deny the temporary limited teaching~~
 74.35 ~~license within 30 days of receiving the complete application~~ The Board of Teaching
 74.36 may grant a two-year provisional permission to a licensure candidate in a field in which

75.1 a shortage of licensed teachers exists. A shortage is defined as an inadequate supply of
75.2 licensed personnel in a given licensure area as determined by the commissioner.

75.3 (b) The board may grant a one-year personnel variance to a licensed teacher in a
75.4 field in which they were not previously licensed. The Board of Teaching must accept
75.5 applications for a personnel variance beginning July 1 of the school year for which the
75.6 variance is requested and must issue or deny the personnel variance within 30 days of
75.7 receiving the complete application.

75.8 (c) The board may grant a one-year emergency permission to a nonlicensed applicant
75.9 based on a district's satisfactory demonstration of need. The board must accept an
75.10 application for an emergency permission beginning on July 1 of the school year for which
75.11 the permission is requested and must issue or deny the emergency permission within 30
75.12 days of receiving the complete application.

75.13 Subd. 7c. **Temporary military license.** The Board of Teaching shall establish
75.14 a temporary license in accordance with section 197.4552 for teaching. The fee for a
75.15 temporary license under this subdivision shall be \$87.90 for an online application or
75.16 \$86.40 for a paper application.

75.17 Subd. 8. **Background checks.** (a) The Board of Teaching and the commissioner
75.18 of education must request a criminal history background check from the superintendent
75.19 of the Bureau of Criminal Apprehension on all first-time teaching applicants for ~~initial~~
75.20 licenses under their jurisdiction. ~~An application for a license under this section must be~~
75.21 ~~accompanied by~~ Applicants must include with their licensure applications:

75.22 (1) an executed criminal history consent form, including fingerprints; and
75.23 (2) a money order or cashier's check payable to the Bureau of Criminal Apprehension
75.24 for the fee for conducting the criminal history background check.

75.25 (b) The superintendent of the Bureau of Criminal Apprehension shall perform the
75.26 background check required under paragraph (a) by retrieving criminal history data as
75.27 defined in section 13.87 and shall also conduct a search of the national criminal records
75.28 repository. The superintendent is authorized to exchange fingerprints with the Federal
75.29 Bureau of Investigation for purposes of the criminal history check. The superintendent
75.30 shall recover the cost to the bureau of a background check through the fee charged to
75.31 the applicant under paragraph (a).

75.32 (c) The Board of Teaching or the commissioner of education may issue a license
75.33 pending completion of a background check under this subdivision, but must notify
75.34 the individual that the individual's license may be revoked based on the result of the
75.35 background check.

76.1 Sec. 7. Minnesota Statutes 2014, section 122A.21, as amended by Laws 2015, First
76.2 Special Session chapter 3, article 2, section 17, is amended to read:

76.3 **122A.21 TEACHERS' AND ADMINISTRATORS' LICENSES; FEES.**

76.4 Subdivision 1. **Licensure applications.** Each application for the issuance, renewal,
76.5 or extension of a license to teach, including applications for licensure via portfolio under
76.6 subdivision 2, must be accompanied by a processing fee of \$57. Each application for
76.7 issuing, renewing, or extending the license of a school administrator or supervisor must
76.8 be accompanied by a processing fee in the amount set by the Board of Teaching School
76.9 Administrators. The processing fee for a teacher's license and for the licenses of supervisory
76.10 personnel must be paid to the executive secretary of the appropriate board. The executive
76.11 secretary of the board shall deposit the fees with the commissioner of management and
76.12 budget. The fees as set by the board are nonrefundable for applicants not qualifying for a
76.13 license. However, a fee must be refunded by the commissioner of management and budget
76.14 in any case in which the applicant already holds a valid unexpired license. The board may
76.15 waive or reduce fees for applicants who apply at the same time for more than one license.

76.16 Subd. 2. **Licensure via portfolio.** (a) An eligible candidate may use licensure via
76.17 portfolio to obtain ~~an initial licensure~~ a professional five-year teaching license or to add a
76.18 licensure field, consistent with applicable Board of Teaching licensure rules.

76.19 (b) A candidate for ~~initial licensure~~ a professional five-year teaching license must
76.20 submit to the Educator Licensing Division at the department one portfolio demonstrating
76.21 pedagogical competence and one portfolio demonstrating content competence.

76.22 (c) A candidate seeking to add a licensure field must submit to the Educator
76.23 Licensing Division at the department one portfolio demonstrating content competence.

76.24 (d) The Board of Teaching must notify a candidate who submits a portfolio under
76.25 paragraph (b) or (c) within 90 calendar days after the portfolio is received whether or not
76.26 the portfolio was approved. If the portfolio was not approved, the board must immediately
76.27 inform the candidate how to revise the portfolio to successfully demonstrate the requisite
76.28 competence. The candidate may resubmit a revised portfolio at any time and the Educator
76.29 Licensing Division at the department must approve or disapprove the portfolio within
76.30 60 calendar days of receiving it.

76.31 (e) A candidate must pay to the executive secretary of the Board of Teaching a
76.32 \$300 fee for the first portfolio submitted for review and a \$200 fee for any portfolio
76.33 submitted subsequently. ~~The fees must be paid to the executive secretary of the Board of~~
76.34 ~~Teaching.~~ The revenue generated from the fee must be deposited in an education licensure
76.35 portfolio account in the special revenue fund. The fees set by the Board of Teaching are

77.1 nonrefundable for applicants not qualifying for a license. The Board of Teaching may
77.2 waive or reduce fees for candidates based on financial need.

77.3 Sec. 8. Minnesota Statutes 2015 Supplement, section 122A.23, is amended to read:

77.4 **122A.23 APPLICANTS TRAINED IN OTHER STATES.**

77.5 Subdivision 1. **Preparation equivalency.** When a license to teach is authorized to
77.6 be issued to any holder of a diploma or a degree of a Minnesota state university, or of the
77.7 University of Minnesota, or of a liberal arts university, or a technical training institution,
77.8 such license may also, in the discretion of the Board of Teaching ~~or the commissioner of~~
77.9 ~~education, whichever has jurisdiction~~, be issued to any holder of a diploma or a degree of a
77.10 teacher training institution of equivalent rank and standing of any other state. The diploma
77.11 or degree must be granted by virtue of completing coursework in teacher preparation as
77.12 preliminary to the granting of a diploma or a degree of the same rank and class. For
77.13 purposes of granting a Minnesota teaching license to a person who receives a diploma or
77.14 degree from a state-accredited, out-of-state teacher training program leading to licensure,
77.15 the Board of Teaching must establish criteria and streamlined policies and procedures by
77.16 January 1, 2016, to recognize the experience and professional credentials of the person
77.17 holding the out-of-state diploma or degree and allow that person to demonstrate to the
77.18 board the person's qualifications for receiving a Minnesota teaching license based on
77.19 performance measures the board adopts by January 1, 2016, under this section.

77.20 Subd. 2. **Applicants licensed in other states.** (a) Subject to the requirements
77.21 of sections 122A.18, subdivision 8, and 123B.03, the Board of Teaching must issue a
77.22 professional five-year teaching license or ~~a temporary~~ an initial professional one-year
77.23 teaching license under paragraphs (c) to (f) to an applicant who holds at least a
77.24 baccalaureate degree from a regionally accredited college or university and holds or
77.25 held an out-of-state teaching license that requires the applicant to successfully complete
77.26 a teacher preparation program approved by the issuing state, which includes either (1)
77.27 field-specific teaching methods, student teaching, or equivalent experience, or (2) at least
77.28 two years of teaching experience as the teacher of record in a similar licensure ~~field~~ area.

77.29 (b) The Board of Teaching may issue a ~~standard~~ professional five-year teaching
77.30 license on the basis of teaching experience and examination requirements only.

77.31 (c) The Board of Teaching must issue a professional five-year teaching license to
77.32 an applicant who:

77.33 (1) successfully completed all exams and human relations preparation components
77.34 required by the Board of Teaching; and

78.1 (2) holds or held an out-of-state teaching license to teach a similar content field and
 78.2 grade levels if the scope of the out-of-state license is no more than two grade levels less
 78.3 than a similar Minnesota license, and either (i) has completed field-specific teaching
 78.4 methods, student teaching, or equivalent experience, or (ii) has at least two years of
 78.5 teaching experience as the teacher of record in a similar licensure ~~field~~ area.

78.6 (d) The Board of Teaching, consistent with board rules and paragraph (i), must
 78.7 issue up to four ~~one-year temporary~~ initial professional one-year teaching licenses to an
 78.8 applicant who holds or held an out-of-state teaching license to teach a similar ~~content field~~
 78.9 licensure area and grade levels, where the scope of the out-of-state license is no more
 78.10 than two grade levels less than a similar Minnesota license, but has not successfully
 78.11 completed all exams and human relations preparation components required by the Board
 78.12 of Teaching. The board must issue a professional five-year teaching license to an applicant
 78.13 who successfully completes the requirements under this paragraph.

78.14 (e) The Board of Teaching, consistent with board rules, must issue up to four initial
 78.15 professional one-year ~~temporary~~ teaching licenses to an applicant who:

78.16 (1) successfully completed all exams and human relations preparation components
 78.17 required by the Board of Teaching; and

78.18 (2) holds or held an out-of-state teaching license to teach a similar ~~content field~~
 78.19 licensure area and grade levels, where the scope of the out-of-state license is no more than
 78.20 two grade levels less than a similar Minnesota license, but has not completed field-specific
 78.21 teaching methods or student teaching or equivalent experience.

78.22 The applicant may complete field-specific teaching methods ~~and student teaching~~
 78.23 ~~or equivalent experience~~ by successfully participating in a one-year school district
 78.24 mentorship program consistent with board-adopted standards of effective practice and
 78.25 Minnesota graduation requirements. If no school district mentorship program is available,
 78.26 the applicant must complete field-specific teaching methods coursework while serving
 78.27 as a teacher of record and providing classroom instruction in the applicant's field of
 78.28 licensure. The board must issue a professional five-year teaching license to an applicant
 78.29 who successfully completes the requirements under this paragraph.

78.30 (f) ~~The Board of Teaching must issue a restricted teaching license for only in the~~
 78.31 ~~content field or grade levels specified in the out-of-state license to an applicant who:~~

78.32 (1) ~~successfully completed all exams and human relations preparation components~~
 78.33 ~~required by the Board of Teaching; and~~

78.34 (2) ~~holds or held an out-of-state teaching license where the out-of-state license is~~
 78.35 ~~more limited in the content field or grade levels than a similar Minnesota license.~~

79.1 (f) The Board of Teaching must issue to an applicant with an out-of-state teaching
79.2 license up to four initial professional one-year teaching licenses that are restricted in
79.3 content or grade levels specified in the out-of-state license if the applicant's out-of-state
79.4 teaching license is more limited than a similar Minnesota license in content field or
79.5 grade levels. The Board of Teaching must issue a professional five-year teaching license
79.6 to an applicant who successfully completes all exams and human relations preparation
79.7 components required by the Board of Teaching. Any content or grade level restriction
79.8 placed on a license under this paragraph remains in effect.

79.9 (g) The Board of Teaching may issue a two-year ~~limited~~ provisional license
79.10 permission to an applicant under this subdivision to teach in a shortage area, consistent
79.11 with section 122A.18, subdivision 4a.

79.12 (h) The Board of Teaching may issue a license under this subdivision if the applicant
79.13 has attained the additional degrees, credentials, or licenses required in a particular
79.14 licensure field and the applicant can demonstrate competency by obtaining qualifying
79.15 scores on the board-adopted skills examination in reading, writing, and mathematics, and
79.16 on applicable board-adopted rigorous content area and pedagogy examinations under
79.17 section 122A.09, subdivision 4, paragraphs (a) and (e).

79.18 (i) The Board of Teaching must require an applicant for a professional five-year
79.19 teaching license or a temporary an initial professional one-year teaching license under
79.20 this subdivision to pass a board-adopted skills examination in reading, writing, and
79.21 mathematics before the board issues the license unless, notwithstanding other provisions
79.22 of this subdivision, an applicable board-approved National Association of State Directors
79.23 of Teacher Education and Certification interstate reciprocity agreement exists to allow
79.24 fully certified teachers from other states to transfer their certification to Minnesota.

79.25 **Subd. 3. Teacher licensure agreements with adjoining states.** (a) Notwithstanding
79.26 any other law to the contrary, the Board of Teaching must enter into a National Association
79.27 of State Directors of Teacher Education and Certification (NASDTEC) interstate
79.28 agreement and other interstate agreements for teacher licensure to allow fully certified
79.29 teachers from adjoining states to transfer their certification to Minnesota. The board must
79.30 enter into these interstate agreements only after determining that the rigor of the teacher
79.31 licensure or certification requirements in the adjoining state is commensurate with the
79.32 rigor of Minnesota's teacher licensure requirements. The board may limit an interstate
79.33 agreement to particular content fields or grade levels based on established priorities or
79.34 identified shortages. This subdivision does not apply to out-of-state applicants holding
79.35 only a provisional teaching license.

80.1 (b) The Board of Teaching must work with designated authorities in adjoining states
80.2 to establish interstate teacher licensure agreements under this section.

80.3 Sec. 9. Minnesota Statutes 2014, section 122A.245, as amended by Laws 2015, First
80.4 Special Session chapter 3, article 2, sections 19 to 21, is amended to read:

80.5 **122A.245 ALTERNATIVE TEACHER PREPARATION PROGRAM AND**
80.6 **~~LIMITED-TERM~~ PRELIMINARY TEACHER LICENSE.**

80.7 Subdivision 1. **Requirements.** (a) To improve academic excellence, improve
80.8 ethnic and cultural diversity in the classroom, and close the academic achievement gap,
80.9 the Board of Teaching must approve qualified teacher preparation programs under this
80.10 section that are a means to acquire a two-year ~~limited-term~~ preliminary teacher license,
80.11 which the board may renew one time for an additional one-year term, and to prepare for
80.12 acquiring a ~~standard~~ professional five-year license. The following entities are eligible
80.13 to participate under this section:

80.14 (1) a school district, charter school, or nonprofit corporation organized under chapter
80.15 317A for an education-related purpose that forms a partnership with a college or university
80.16 that has a board-approved alternative teacher preparation program; or

80.17 (2) a school district or charter school, after consulting with a college or university
80.18 with a board-approved teacher preparation program, that forms a partnership with a
80.19 nonprofit corporation organized under chapter 317A for an education-related purpose that
80.20 has a board-approved teacher preparation program.

80.21 (b) Before becoming a teacher of record, a candidate must:

80.22 (1) have a bachelor's degree with a 3.0 or higher grade point average unless the
80.23 board waives the grade point average requirement based on board-adopted criteria adopted
80.24 by January 1, 2016;

80.25 (2) demonstrate a passing score on a board-adopted reading, writing, and
80.26 mathematics skills examination under section 122A.09, subdivision 4, paragraph (b); and

80.27 (3) obtain qualifying scores on applicable board-approved rigorous content area and
80.28 pedagogy examinations under section 122A.09, subdivision 4, paragraph (e).

80.29 (c) The Board of Teaching must issue a two-year ~~limited-term~~ preliminary teacher
80.30 license to a person who enrolls in an alternative teacher preparation program.

80.31 Subd. 2. **Characteristics.** An alternative teacher preparation program under this
80.32 section must include:

80.33 (1) a minimum 200-hour instructional phase that provides intensive preparation and
80.34 student teaching before the teacher candidate assumes classroom responsibilities;

81.1 (2) a research-based and results-oriented approach focused on best teaching practices
81.2 to increase student proficiency and growth measured against state academic standards;

81.3 (3) strategies to combine pedagogy and best teaching practices to better inform
81.4 teacher candidates' classroom instruction;

81.5 (4) assessment, supervision, and evaluation of teacher candidates to determine
81.6 their specific needs throughout the program and to support their efforts to successfully
81.7 complete the program;

81.8 (5) intensive, ongoing, and multiyear professional learning opportunities that
81.9 accelerate teacher candidates' professional growth, support student learning, and provide a
81.10 workplace orientation, professional staff development, and mentoring and peer review
81.11 focused on standards of professional practice and continuous professional growth; and

81.12 (6) a requirement that teacher candidates demonstrate to the local site team under
81.13 subdivision 5 satisfactory progress toward acquiring ~~a standard license~~ professional
81.14 five-year teaching licenses from the Board of Teaching.

81.15 Subd. 3. **Program approval; disapproval.** (a) The Board of Teaching must approve
81.16 alternative teacher preparation programs under this section based on board-adopted
81.17 criteria that reflect best practices for alternative teacher preparation programs, consistent
81.18 with this section.

81.19 (b) The board must permit teacher candidates to demonstrate mastery of pedagogy
81.20 and content standards in school-based settings and through other nontraditional means.
81.21 "Nontraditional means" must include a portfolio of previous experiences, teaching
81.22 experience, educator evaluations, certifications marking the completion of education
81.23 training programs, and essentially equivalent demonstrations.

81.24 (c) The board must use nontraditional criteria to determine the qualifications of
81.25 program instructors.

81.26 (d) The board may permit instructors to hold a baccalaureate degree only.

81.27 (e) If the Board of Teaching determines that a teacher preparation program under this
81.28 section does not meet the requirements of this section, it may revoke its approval of the
81.29 program after it notifies the program provider of any deficiencies and gives the program
81.30 provider an opportunity to remedy the deficiencies.

81.31 Subd. 4. **Employment conditions.** Where applicable, teacher candidates with
81.32 ~~a limited-term~~ a preliminary teacher license under this section are members of the
81.33 local employee organization representing teachers and subject to the terms of the local
81.34 collective bargaining agreement between the exclusive representative of the teachers and
81.35 the school board. A collective bargaining agreement between a school board and the

82.1 exclusive representative of the teachers must not prevent or restrict or otherwise interfere
82.2 with a school district's ability to employ a teacher prepared under this section.

82.3 Subd. 5. **Approval for standard professional five-year license.** A school board
82.4 or its designee must appoint members to a local site team that includes teachers, school
82.5 administrators, and postsecondary faculty under subdivision 1, paragraph (a), clause
82.6 (1), or staff of a participating nonprofit corporation under subdivision 1, paragraph (a),
82.7 clause (2), to evaluate the performance of the teacher candidate. The evaluation must be
82.8 consistent with board-adopted performance measures, use the Minnesota state standards
82.9 of effective practice and subject matter content standards for teachers established in
82.10 Minnesota Rules, and include a report to the board recommending whether or not to issue
82.11 the teacher candidate a standard professional five-year teaching license.

82.12 Subd. 6. **Applicants trained in other states.** A person who successfully completes
82.13 another state's alternative teacher preparation program, consistent with section 122A.23,
82.14 ~~subdivision 1~~, may apply to the Board of Teaching for a standard an initial professional
82.15 one-year teaching license under subdivision 7 or a professional five-year teaching license.

82.16 Subd. 7. **Standard Professional five-year license.** The Board of Teaching must
82.17 issue a standard professional five-year teaching license to an otherwise qualified teacher
82.18 candidate under this section who successfully performs throughout a program under this
82.19 section, obtains qualifying scores on applicable board-adopted rigorous skills, pedagogy,
82.20 and content area examinations under section 122A.09, subdivision 4, paragraphs (a) and
82.21 (e), and is recommended for licensure under subdivision 5 or successfully demonstrates to
82.22 the board qualifications for licensure under subdivision 6.

82.23 Subd. 8. **Highly qualified teacher.** A person holding a valid limited-term license
82.24 under this section is a highly qualified teacher and the teacher of record under section
82.25 122A.16.

82.26 Subd. 9. **Exchange of best practices.** By July 31 in an even-numbered year,
82.27 ~~a program participant and~~ approved alternative preparation program providers, the
82.28 Minnesota State Colleges and Universities, the University of Minnesota, the Minnesota
82.29 Private College Council, and the Department of Education must exchange information
82.30 about best practices and educational innovations.

82.31 Subd. 10. **Reports.** The Board of Teaching must submit an interim report on the
82.32 efficacy of this program to the policy and finance committees of the legislature with
82.33 jurisdiction over kindergarten through grade 12 education by February 15, 2013, and a
82.34 final report by February 15, 2015.

82.35 Sec. 10. Minnesota Statutes 2014, section 122A.26, subdivision 2, is amended to read:

83.1 Subd. 2. **Exceptions.** (a) A person who teaches in a community education program
 83.2 which qualifies for aid pursuant to section 124D.52 shall continue to meet licensure
 83.3 requirements as a teacher. A person who teaches in an early childhood and family
 83.4 education program which is offered through a community education program and which
 83.5 qualifies for community education aid pursuant to section 124D.20 or early childhood
 83.6 and family education aid pursuant to section 124D.135 shall continue to meet licensure
 83.7 requirements as a teacher. A person who teaches in a community education course which
 83.8 is offered for credit for graduation to persons under 18 years of age shall continue to
 83.9 meet licensure requirements as a teacher.

83.10 (b) A person who teaches a driver training course which is offered through a
 83.11 community education program to persons under 18 years of age shall be licensed by the
 83.12 Board of Teaching or be subject to section 171.35. A license which is required for an
 83.13 instructor in a community education program pursuant to this ~~subdivision~~ paragraph shall
 83.14 not be construed to bring an individual within the definition of a teacher for purposes of
 83.15 section 122A.40, subdivision 1, or 122A.41, subdivision 1, clause (a).

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

83.18 Sec. 11. Minnesota Statutes 2015 Supplement, section 122A.40, subdivision 8, is
 83.19 amended to read:

83.20 Subd. 8. **Development, evaluation, and peer coaching for continuing contract**
 83.21 **teachers.** (a) To improve student learning and success, a school board and an exclusive
 83.22 representative of the teachers in the district, consistent with paragraph (b), may develop
 83.23 a teacher evaluation and peer review process for probationary and continuing contract
 83.24 teachers through joint agreement. If a school board and the exclusive representative of the
 83.25 teachers do not agree to an annual teacher evaluation and peer review process, then the
 83.26 school board and the exclusive representative of the teachers must implement the state
 83.27 teacher evaluation plan under paragraph (c). The process must include having trained
 83.28 observers serve as peer coaches or having teachers participate in professional learning
 83.29 communities, consistent with paragraph (b).

83.30 (b) To develop, improve, and support qualified teachers and effective teaching
 83.31 practices ~~and~~, improve student learning and success, and provide all enrolled students
 83.32 in a district or school, including low-income students, American Indian students, and
 83.33 students of color with improved and equitable access to more diverse teachers, the annual
 83.34 evaluation process for teachers:

84.1 (1) must, for probationary teachers, provide for all evaluations required under
84.2 subdivision 5;

84.3 (2) must establish a three-year professional review cycle for each teacher that
84.4 includes an individual growth and development plan, a peer review process, and at least
84.5 one summative evaluation performed by a qualified and trained evaluator such as a school
84.6 administrator. For the years when a tenured teacher is not evaluated by a qualified and
84.7 trained evaluator, the teacher must be evaluated by a peer review;

84.8 (3) must be based on professional teaching standards established in rule;

84.9 (4) must coordinate staff development activities, including those that improve
84.10 cultural fluency and competency under sections 122A.60 and 122A.61 with this evaluation
84.11 process and teachers' evaluation outcomes;

84.12 (5) may provide time during the school day and school year for peer coaching and
84.13 teacher collaboration;

84.14 (6) may include job-embedded learning opportunities such as professional learning
84.15 communities;

84.16 (7) may include mentoring and induction programs for teachers, including teachers
84.17 who are members of populations underrepresented among the licensed teachers in
84.18 the district or school and who reflect the diversity of students under section 120B.35,
84.19 subdivision 3, paragraph (b), clause (2), who are enrolled in the district or school;

84.20 (8) must include an option for teachers to develop and present a portfolio
84.21 demonstrating evidence of reflection and professional growth, consistent with section
84.22 122A.18, subdivision 4, paragraph (b), and include teachers' own performance assessment
84.23 based on student work samples and examples of teachers' work, which may include video
84.24 among other activities for the summative evaluation;

84.25 (9) must use data from valid and reliable assessments aligned to state and local
84.26 academic standards and must use state and local measures of student growth and literacy
84.27 that may include value-added models or student learning goals to determine 35 percent of
84.28 teacher evaluation results;

84.29 (10) must use longitudinal data on student engagement and connection, and other
84.30 student outcome measures explicitly aligned with the elements of curriculum, including
84.31 culturally responsive curriculum, for which teachers are responsible, including academic
84.32 literacy, oral academic language, and achievement of content areas of English learners;

84.33 (11) must require qualified and trained evaluators such as school administrators to
84.34 perform summative evaluations and ensure school districts and charter schools provide for
84.35 effective evaluator training specific to teacher development and evaluation;

85.1 (12) must give teachers not meeting professional teaching standards under clauses
 85.2 (3) through (11) support to improve through a teacher improvement process that includes
 85.3 established goals and timelines; ~~and~~

85.4 (13) must discipline a teacher for not making adequate progress in the teacher
 85.5 improvement process under clause (12) that may include a last chance warning,
 85.6 termination, discharge, nonrenewal, transfer to a different position, a leave of absence, or
 85.7 other discipline a school administrator determines is appropriate; and

85.8 (14) must include and support cultural competency and the implementation of
 85.9 culturally responsive practices through the professional review cycle, staff development,
 85.10 and the use of data on student engagement and connection.

85.11 Data on individual teachers generated under this subdivision are personnel data
 85.12 under section 13.43. The observation and interview notes of peer coaches may only be
 85.13 disclosed to other school officials with the consent of the teacher being coached.

85.14 (c) The department, in consultation with parents who may represent parent
 85.15 organizations and teacher and administrator representatives appointed by their respective
 85.16 organizations, representing the Board of Teaching, the Minnesota Association of School
 85.17 Administrators, the Minnesota School Boards Association, the Minnesota Elementary
 85.18 and Secondary Principals Associations, Education Minnesota, and representatives of
 85.19 the Minnesota Assessment Group, the Minnesota Business Partnership, the Minnesota
 85.20 Chamber of Commerce, and Minnesota postsecondary institutions with research expertise
 85.21 in teacher evaluation, must create and publish a teacher evaluation process that complies
 85.22 with the requirements in paragraph (b) and applies to all teachers under this section and
 85.23 section 122A.41 for whom no agreement exists under paragraph (a) for an annual teacher
 85.24 evaluation and peer review process. The teacher evaluation process created under this
 85.25 subdivision does not create additional due process rights for probationary teachers under
 85.26 subdivision 5.

85.27 (d) Consistent with the measures of teacher effectiveness under this subdivision:

85.28 (1) for students in kindergarten through grade 4, a school administrator must not
 85.29 place or approve the placement of a student in the classroom of a teacher who is in the
 85.30 improvement process referenced in paragraph (b), clause (12), or has not had a summative
 85.31 evaluation if, in the prior year, that student was in the classroom of a teacher who received
 85.32 discipline pursuant to paragraph (b), clause (13), unless no other teacher at the school
 85.33 teaches that grade; and

85.34 (2) for students in grades 5 through 12, a school administrator must not place
 85.35 or approve the placement of a student in the classroom of a teacher who is in the
 85.36 improvement process referenced in paragraph (b), clause (12), or has not had a summative

86.1 evaluation if, in the prior year, that student was in the classroom of a teacher who received
 86.2 discipline pursuant to paragraph (b), clause (13), unless no other teacher at the school
 86.3 teaches that subject area and grade.

86.4 All data created and used under this paragraph retains its classification under chapter 13.

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

86.7 Sec. 12. Minnesota Statutes 2015 Supplement, section 122A.41, subdivision 5, is
 86.8 amended to read:

86.9 **Subd. 5. Development, evaluation, and peer coaching for continuing contract**
 86.10 **teachers.** (a) To improve student learning and success, a school board and an exclusive
 86.11 representative of the teachers in the district, consistent with paragraph (b), may develop an
 86.12 annual teacher evaluation and peer review process for probationary and nonprobationary
 86.13 teachers through joint agreement. If a school board and the exclusive representative of
 86.14 the teachers in the district do not agree to an annual teacher evaluation and peer review
 86.15 process, then the school board and the exclusive representative of the teachers must
 86.16 implement the state teacher evaluation plan developed under paragraph (c). The process
 86.17 must include having trained observers serve as peer coaches or having teachers participate
 86.18 in professional learning communities, consistent with paragraph (b).

86.19 (b) To develop, improve, and support qualified teachers and effective teaching
 86.20 practices and improve student learning and success, and provide all enrolled students
 86.21 in a district or school, including low-income students, American Indian students, and
 86.22 students of color with improved and equitable access to more diverse teachers, the annual
 86.23 evaluation process for teachers:

86.24 (1) must, for probationary teachers, provide for all evaluations required under
 86.25 subdivision 2;

86.26 (2) must establish a three-year professional review cycle for each teacher that
 86.27 includes an individual growth and development plan, a peer review process, and at least
 86.28 one summative evaluation performed by a qualified and trained evaluator such as a school
 86.29 administrator;

86.30 (3) must be based on professional teaching standards established in rule;

86.31 (4) must coordinate staff development activities, including those that improve
 86.32 cultural fluency and competency under sections 122A.60 and 122A.61 with this evaluation
 86.33 process and teachers' evaluation outcomes;

87.1 (5) may provide time during the school day and school year for peer coaching and
87.2 teacher collaboration;

87.3 (6) may include job-embedded learning opportunities such as professional learning
87.4 communities;

87.5 (7) may include mentoring and induction programs for teachers, including teachers
87.6 who are members of populations underrepresented among the licensed teachers in
87.7 the district or school and who reflect the diversity of students under section 120B.35,
87.8 subdivision 3, paragraph (b), clause (2), who are enrolled in the district or school;

87.9 (8) must include an option for teachers to develop and present a portfolio
87.10 demonstrating evidence of reflection and professional growth, consistent with section
87.11 122A.18, subdivision 4, paragraph (b), and include teachers' own performance assessment
87.12 based on student work samples and examples of teachers' work, which may include video
87.13 among other activities for the summative evaluation;

87.14 (9) must use data from valid and reliable assessments aligned to state and local
87.15 academic standards and must use state and local measures of student growth and literacy
87.16 that may include value-added models or student learning goals to determine 35 percent of
87.17 teacher evaluation results;

87.18 (10) must use longitudinal data on student engagement and connection and other
87.19 student outcome measures explicitly aligned with the elements of curriculum, including
87.20 culturally responsive curriculum, for which teachers are responsible, including academic
87.21 literacy, oral academic language, and achievement of English learners;

87.22 (11) must require qualified and trained evaluators such as school administrators to
87.23 perform summative evaluations and ensure school districts and charter schools provide for
87.24 effective evaluator training specific to teacher development and evaluation;

87.25 (12) must give teachers not meeting professional teaching standards under clauses
87.26 (3) through (11) support to improve through a teacher improvement process that includes
87.27 established goals and timelines; ~~and~~

87.28 (13) must discipline a teacher for not making adequate progress in the teacher
87.29 improvement process under clause (12) that may include a last chance warning,
87.30 termination, discharge, nonrenewal, transfer to a different position, a leave of absence, or
87.31 other discipline a school administrator determines is appropriate; and

87.32 (14) must include and support cultural competency and the implementation of
87.33 culturally responsive practices through the professional review cycle, staff development,
87.34 and the use of data on student engagement and connection.

88.1 Data on individual teachers generated under this subdivision are personnel data
88.2 under section 13.43. The observation and interview notes of peer coaches may only be
88.3 disclosed to other school officials with the consent of the teacher being coached.

88.4 (c) The department, in consultation with parents who may represent parent
88.5 organizations and teacher and administrator representatives appointed by their respective
88.6 organizations, representing the Board of Teaching, the Minnesota Association of School
88.7 Administrators, the Minnesota School Boards Association, the Minnesota Elementary
88.8 and Secondary Principals Associations, Education Minnesota, and representatives of
88.9 the Minnesota Assessment Group, the Minnesota Business Partnership, the Minnesota
88.10 Chamber of Commerce, and Minnesota postsecondary institutions with research expertise
88.11 in teacher evaluation, must create and publish a teacher evaluation process that complies
88.12 with the requirements in paragraph (b) and applies to all teachers under this section and
88.13 section 122A.40 for whom no agreement exists under paragraph (a) for an annual teacher
88.14 evaluation and peer review process. The teacher evaluation process created under this
88.15 subdivision does not create additional due process rights for probationary teachers under
88.16 subdivision 2.

88.17 (d) Consistent with the measures of teacher effectiveness under this subdivision:

88.18 (1) for students in kindergarten through grade 4, a school administrator must not
88.19 place or approve the placement of a student in the classroom of a teacher who is in the
88.20 improvement process referenced in paragraph (b), clause (12), or has not had a summative
88.21 evaluation if, in the prior year, that student was in the classroom of a teacher who received
88.22 discipline pursuant to paragraph (b), clause (13), unless no other teacher at the school
88.23 teaches that grade; and

88.24 (2) for students in grades 5 through 12, a school administrator must not place
88.25 or approve the placement of a student in the classroom of a teacher who is in the
88.26 improvement process referenced in paragraph (b), clause (12), or has not had a summative
88.27 evaluation if, in the prior year, that student was in the classroom of a teacher who received
88.28 discipline pursuant to paragraph (b), clause (13), unless no other teacher at the school
88.29 teaches that subject area and grade.

88.30 All data created and used under this paragraph retains its classification under chapter 13.

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

88.33 Sec. 13. Minnesota Statutes 2015 Supplement, section 122A.60, subdivision 1, is
88.34 amended to read:

89.1 Subdivision 1. **Staff development committee.** (a) A school board must use the
89.2 revenue authorized in section 122A.61 for:

89.3 (1) teacher development and evaluation plans under section 122A.40, subdivision 8,
89.4 or 122A.41, subdivision 5, and at the request of a teacher and their mentor or peer coach,
89.5 activities relating to the teacher's individual growth plan or recommendations resulting
89.6 from the peer review process;

89.7 (2) principal development and evaluation under section 123B.147, subdivision 3;

89.8 (3) in-service education programs under section 120B.22, subdivision 2; and

89.9 (4) other staff development needs.

89.10 (b) The board must establish an advisory staff development committee to develop
89.11 the plan, assist site professional development teams in developing a site plan consistent
89.12 with the goals of the plan, and evaluate staff development efforts at the site level. A
89.13 majority of the advisory committee and the site professional development team must be
89.14 teachers representing various grade levels, subject areas, and special education. The
89.15 advisory committee must also include nonteaching staff, parents, and administrators.

89.16 (c) "Teacher" under this section includes all individuals classified as teachers under
89.17 section 179A.03 or section 122A.61.

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

89.20 Sec. 14. Minnesota Statutes 2014, section 123B.147, subdivision 3, is amended to read:

89.21 Subd. 3. **Duties; evaluation.** (a) The principal shall provide administrative,
89.22 supervisory, and instructional leadership services, under the supervision of the
89.23 superintendent of schools of the district and according to the policies, rules, and
89.24 regulations of the school board, for the planning, management, operation, and evaluation
89.25 of the education program of the building or buildings to which the principal is assigned.

89.26 (b) To enhance a principal's leadership skills and support and improve teaching
89.27 practices, school performance, and student achievement for diverse student populations,
89.28 including at-risk students, children with disabilities, English learners, and gifted students,
89.29 among others, a district must develop and implement a performance-based system for
89.30 annually evaluating school principals assigned to supervise a school building within the
89.31 district. The evaluation must be designed to improve teaching and learning by supporting
89.32 the principal in shaping the school's professional environment and developing teacher
89.33 quality, performance, ~~and effectiveness,~~ and cultural fluency and competency. The annual
89.34 evaluation must:

90.1 (1) support and improve a principal's instructional leadership, organizational
 90.2 management, and professional development, and strengthen the principal's capacity in the
 90.3 areas of instruction, supervision, evaluation, and teacher development by, among other
 90.4 things, hiring, supporting, and retaining a diverse teaching staff that reflects the diversity
 90.5 of students under section 120B.35, subdivision 3, paragraph (b), clause (2), who are
 90.6 enrolled in the district or school;

90.7 (2) include formative and summative evaluations based on multiple measures of
 90.8 student progress toward career and college readiness;

90.9 (3) be consistent with a principal's job description, a district's long-term plans and
 90.10 goals, and the principal's own professional multiyear growth plans and goals, all of which
 90.11 must support the principal's leadership behaviors and practices, rigorous curriculum,
 90.12 school performance, students' improved and equitable access to effective and more diverse
 90.13 teachers, and high-quality instruction;

90.14 (4) include on-the-job observations and previous evaluations;

90.15 (5) allow surveys to help identify a principal's effectiveness, leadership skills and
 90.16 processes, and strengths and weaknesses in exercising leadership in pursuit of school
 90.17 success;

90.18 (6) use longitudinal data on student academic growth as 35 percent of the evaluation
 90.19 and incorporate district achievement goals and targets;

90.20 (7) be linked to professional development that emphasizes improved teaching and
 90.21 learning, curriculum and instruction, student learning, ~~and~~ a collaborative professional
 90.22 culture, and students' increased and equitable access to effective and more diverse
 90.23 teachers, consistent with attaining the world's best workforce under section 120B.11,
 90.24 subdivision 1, paragraph (c); and

90.25 (8) for principals not meeting standards of professional practice or other criteria
 90.26 under this subdivision, implement a plan to improve the principal's performance and
 90.27 specify the procedure and consequence if the principal's performance is not improved.

90.28 The provisions of this paragraph are intended to provide districts with sufficient
 90.29 flexibility to accommodate district needs and goals related to developing, supporting,
 90.30 and evaluating principals.

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

90.33 Sec. 15. Minnesota Statutes 2014, section 124D.09, subdivision 10, is amended to read:

90.34 Subd. 10. **Courses according to agreements.** (a) An eligible pupil, according
 90.35 to subdivision 5, may enroll in a nonsectarian course taught by a secondary teacher or

91.1 a postsecondary faculty member and offered at a secondary school, or another location,
 91.2 according to an agreement between a public school board and the governing body of an
 91.3 eligible public postsecondary system or an eligible private postsecondary institution,
 91.4 as defined in subdivision 3. All provisions of this section shall apply to a pupil, public
 91.5 school board, district, and the governing body of a postsecondary institution, except as
 91.6 otherwise provided.

91.7 (b) To encourage American Indian students under section 124D.72 and other
 91.8 students to consider teaching as a profession, participating public school boards and
 91.9 the governing boards of eligible public postsecondary systems and eligible private
 91.10 postsecondary institutions may develop and offer an "introduction to teaching" course
 91.11 under this subdivision.

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

91.13 Sec. 16. Minnesota Statutes 2014, section 124D.861, as amended by Laws 2015,
 91.14 chapter 21, article 1, section 20, is amended to read:

91.15 **124D.861 ACHIEVEMENT AND INTEGRATION FOR MINNESOTA.**

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

91.21 (b) For purposes of this section and section 124D.862, "eligible district" means a
 91.22 district required to submit a plan to the commissioner under Minnesota Rules governing
 91.23 school desegregation and integration, or be a member of a multidistrict integration
 91.24 collaborative that files a plan with the commissioner.

91.25 (c) Eligible districts must use the revenue under section 124D.862 to pursue
 91.26 academic achievement and racial and economic integration through:

91.27 (1) integrated learning environments that give students improved and equitable
 91.28 access to effective and more diverse teachers, prepare all students to be effective citizens
 91.29 and enhance social cohesion;

91.30 (2) policies and curricula and trained, culturally fluent and competent instructors,
 91.31 administrators, school counselors, and other advocates to support and enhance integrated
 91.32 learning environments under this section, including through magnet schools, innovative,
 91.33 research-based instruction, differentiated instruction, improved and equitable access to
 91.34 effective and diverse teachers, and targeted interventions to improve achievement; and

92.1 (3) rigorous career and college readiness programs and effective and more diverse
 92.2 instructors for underserved student populations, consistent with section 120B.30,
 92.3 subdivision 1; integrated learning environments to increase student academic achievement;
 92.4 cultural fluency, competency, and interaction; graduation and educational attainment rates;
 92.5 and parent involvement.

92.6 Subd. 2. **Plan implementation; components.** (a) The school board of each eligible
 92.7 district must formally develop and implement a long-term plan under this section. The plan
 92.8 must be incorporated into the district's comprehensive strategic plan under section 120B.11.
 92.9 Plan components may include: innovative and integrated prekindergarten through grade 12
 92.10 learning environments that offer students school enrollment choices; family engagement
 92.11 initiatives that involve families in their students' academic life and success; professional
 92.12 development opportunities for teachers and administrators focused on improving the
 92.13 academic achievement of all students, including teachers and administrators who are
 92.14 members of populations underrepresented among the licensed teachers or administrators
 92.15 in the district or school and who reflect the diversity of students under section 120B.35,
 92.16 subdivision 3, paragraph (b), clause (2), who are enrolled in the district or school;
 92.17 increased programmatic opportunities and effective and more diverse instructors focused
 92.18 on rigor and college and career readiness for underserved students, including students
 92.19 enrolled in alternative learning centers under section 123A.05, public alternative programs
 92.20 under section 126C.05, subdivision 15, and contract alternative programs under section
 92.21 124D.69, among other underserved students; or recruitment and retention of teachers and
 92.22 administrators with diverse racial and ethnic backgrounds. The plan must contain goals for:

92.23 (1) reducing the disparities in academic achievement among all students and specific
 92.24 categories of students under section 120B.35, subdivision 3, paragraph (b), excluding the
 92.25 student categories of gender, disability, and English learners; ~~and~~

92.26 (2) increasing racial and economic diversity and integration in schools and districts;
 92.27 and

92.28 (3) providing students with equitable access to effective and more diverse teachers.

92.29 (b) Among other requirements, an eligible district must implement effective,
 92.30 research-based interventions that include formative assessment practices to reduce the
 92.31 disparities in student academic performance among the specific categories of students as
 92.32 measured by student progress and growth on state reading and math assessments and
 92.33 as aligned with section 120B.11.

92.34 (c) Eligible districts must create efficiencies and eliminate duplicative programs
 92.35 and services under this section, which may include forming collaborations or a single,
 92.36 seven-county metropolitan areawide partnership of eligible districts for this purpose.

93.1 Subd. 3. **Public engagement; progress report and budget process.** (a) To
93.2 receive revenue under section 124D.862, the school board of an eligible district must
93.3 incorporate school and district plan components under section 120B.11 into the district's
93.4 comprehensive integration plan.

93.5 (b) A school board must hold at least one formal annual hearing to publicly report
93.6 its progress in realizing the goals identified in its plan. At the hearing, the board must
93.7 provide the public with longitudinal data demonstrating district and school progress in
93.8 reducing the disparities in student academic performance among the specified categories
93.9 of students, in improving students' equitable access to effective and more diverse teachers,
93.10 and in realizing racial and economic diversity and integration, consistent with the district
93.11 plan and the measures in paragraph (a). At least 30 days before the formal hearing under
93.12 this paragraph, the board must post its plan, its preliminary analysis, relevant student
93.13 performance data, and other longitudinal data on the district's Web site. A district must
93.14 hold one hearing to meet the hearing requirements of both this section and section 120B.11.

93.15 (c) The district must submit a detailed budget to the commissioner by March 15 in
93.16 the year before it implements its plan. The commissioner must review, and approve or
93.17 disapprove the district's budget by June 1 of that year.

93.18 (d) The longitudinal data required under paragraph (b) must be based on student
93.19 growth and progress in reading and mathematics, as defined under section 120B.30,
93.20 subdivision 1, and student performance data and achievement reports from fully adaptive
93.21 reading and mathematics assessments for grades 3 through 7 beginning in the 2015-2016
93.22 school year under section 120B.30, subdivision 1a, and either (i) school enrollment
93.23 choices, (ii) the number of world language proficiency or high achievement certificates
93.24 awarded under section 120B.022, subdivision 1a, or the number of state bilingual and
93.25 multilingual seals issued under section 120B.022, subdivision 1b, or (iii) school safety
93.26 and students' engagement and connection at school under section 120B.35, subdivision 3,
93.27 paragraph (d). Additional longitudinal data may be based on: students' progress toward
93.28 career and college readiness under section 120B.30, subdivision 1; or rigorous coursework
93.29 completed under section 120B.35, subdivision 3, paragraph (c), clause (2).

93.30 Subd. 4. **Timeline and implementation.** A board must approve its plan and submit
93.31 it to the department by March 15. If a district that is part of a multidistrict council applies
93.32 for revenue for a plan, the individual district shall not receive revenue unless it ratifies
93.33 the plan adopted by the multidistrict council. Each plan has a term of three years. For
93.34 the 2014-2015 school year, an eligible district under this section must submit its plan to
93.35 the commissioner for review by March 15, 2014. For the 2013-2014 school year only,

94.1 an eligible district may continue to implement its current plan until the commissioner
94.2 approves a new plan under this section.

94.3 Subd. 5. **Evaluation.** The commissioner must evaluate the efficacy of district
94.4 plans in reducing the disparities in student academic performance among the specified
94.5 categories of students within the district, improving students' equitable access to effective
94.6 and diverse teachers, and in realizing racial and economic diversity and integration.
94.7 The commissioner shall report evaluation results to the kindergarten through grade 12
94.8 education committees of the legislature by February 1 of every odd-numbered year.

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

94.11 Sec. 17. Minnesota Statutes 2015 Supplement, section 127A.05, subdivision 6, is
94.12 amended to read:

94.13 Subd. 6. **Survey of districts.** The commissioner of education shall survey the state's
94.14 school districts and teacher preparation programs and report to the education committees
94.15 of the legislature by February 1 of each odd-numbered year on the status of teacher early
94.16 retirement patterns, access to effective and more diverse teachers who reflect the students
94.17 under section 120B.35, subdivision 3, paragraph (b), clause (2), enrolled in a district or
94.18 school, the teacher shortage, and the substitute teacher shortage, including teacher hiring
94.19 and retention patterns and shortages in by subject areas and the economic development
94.20 regions of the state. The report must also include: aggregate data on teachers' self-reported
94.21 race and ethnicity; data on how districts are making progress in hiring and providing
94.22 enrolled students with improved and equitable access to effective and more diverse teachers
94.23 and substitutes in the areas of shortage; and a five-year projection of teacher demand
94.24 for each district, taking into account the students under section 120B.35, subdivision 3,
94.25 paragraph (b), clause (2), expected to enroll in the district during that five-year period.

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

94.28 Sec. 18. Minnesota Statutes 2015 Supplement, section 136A.1791, subdivision 1,
94.29 is amended to read:

94.30 Subdivision 1. **Definitions.** (a) The terms used in this section have the meanings
94.31 given them in this subdivision.

95.1 (b) "Qualified educational loan" means a government, commercial, or foundation
 95.2 loan for actual costs paid for tuition and reasonable educational and living expenses
 95.3 related to a teacher's preparation or further education.

95.4 (c) "School district" means an independent school district, special school district,
 95.5 intermediate district, education district, special education cooperative, service cooperative,
 95.6 a cooperative center for vocational education, or a charter school located in Minnesota.

95.7 (d) "Teacher" means an individual holding a teaching license issued by the licensing
 95.8 division in the Department of Education on behalf of the Board of Teaching who is
 95.9 employed by a school district to provide classroom instruction in a teacher shortage area.

95.10 (e) "Teacher shortage area" means the licensure fields and economic development
 95.11 regions reported by the commissioner of education as experiencing a teacher shortage or
 95.12 the school districts where minority populations are underrepresented among licensed
 95.13 teachers, consistent with section 127A.05, subdivision 6, and applicable federal law.

95.14 (f) "Commissioner" means the commissioner of the Office of Higher Education
 95.15 unless indicated otherwise.

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

95.17 Sec. 19. Minnesota Statutes 2015 Supplement, section 136A.1791, subdivision 3,
 95.18 is amended to read:

95.19 Subd. 3. **Use of report on teacher shortage areas.** The commissioner of education
 95.20 shall use the teacher supply and demand report to the legislature to identify the licensure
 95.21 fields and economic development regions in Minnesota experiencing a teacher shortage
 95.22 and the school districts where minority populations are underrepresented among licensed
 95.23 teachers, consistent with section 127A.05, subdivision 6, and applicable federal law.

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

95.25 Sec. 20. **CAREER AND TECHNICAL EDUCATOR LICENSING ADVISORY**
 95.26 **TASK FORCE.**

95.27 Subdivision 1. **Creation.** The Career and Technical Educator Licensing Advisory
 95.28 Task Force consists of the following members, appointed by the commissioner of
 95.29 education, unless otherwise specified:

95.30 (1) one person who is a member of the Board of Teaching;

95.31 (2) one person representing colleges and universities offering a board-approved
 95.32 teacher preparation program;

96.1 (3) one person representing science, technology, engineering, and math programs,
 96.2 such as Project Lead the Way;

96.3 (4) one person designated by the Board of the Minnesota Association for Career and
 96.4 Technical Administrators;

96.5 (5) one person designated by the Board of the Minnesota Association for Career
 96.6 and Technical Education;

96.7 (6) three people who are secondary school administrators, including superintendents,
 96.8 principals, and assistant principals; and

96.9 (7) two people who are members of other interested groups, as determined by the
 96.10 commissioner of education.

96.11 The commissioner and designating authorities must make their initial appointments
 96.12 and designations by July 1, 2016. The commissioner and designating authorities, to the
 96.13 extent practicable, should make appointments balanced as to gender and reflecting the
 96.14 ethnic diversity of the state population.

96.15 Subd. 2. **Duties; report.** The task force must review the current status of career and
 96.16 technical educator licenses and provide recommendations on changes, if any are deemed
 96.17 necessary, to the licensure requirements and methods to increase access for school districts
 96.18 to licensed career and technical educators. The task force must report its findings and
 96.19 recommendations, with draft legislation if needed to implement the recommendations, to
 96.20 the chairs and ranking minority members of the legislative committees with jurisdiction
 96.21 over kindergarten through grade 12 education and higher education by January 15, 2017.

96.22 Subd. 3. **First meeting.** The commissioner of education or the commissioner's
 96.23 designee must convene the first meeting of the task force by September 1, 2016.

96.24 Subd. 4. **Administrative support.** The commissioner of education must provide
 96.25 meeting space and administrative services for the task force.

96.26 Subd. 5. **Chair.** The commissioner of education or the commissioner's designee
 96.27 shall serve as chair of the task force.

96.28 Subd. 6. **Compensation.** The public members of the task force serve without
 96.29 compensation or payment of expenses.

96.30 Subd. 7. **Expiration.** The task force expires January 16, 2017, or upon submission
 96.31 of the report required in subdivision 2, whichever is earlier.

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

96.33 Sec. 21. **LEGISLATIVE TASK FORCE ON TEACHER LICENSURE.**

96.34 (a) A 12-member legislative task force on teacher licensure is created to review the
 96.35 2016 report prepared by the Office of the Legislative Auditor on the Minnesota teacher

97.1 licensure program and submit a written report by February 1, 2017, to the legislature
97.2 recommending how to restructure Minnesota's teacher licensure system by consolidating
97.3 all teacher licensure activities into a single state entity to ensure transparency and
97.4 consistency or, at a minimum, clarify existing teacher licensure responsibilities to provide
97.5 transparency and consistency. In developing its recommendations, the task force must
97.6 consider the tiered licensure system recommended in the legislative auditor's report,
97.7 among other recommendations. The task force must identify and include in its report any
97.8 statutory changes needed to implement the task force recommendations.

97.9 (b) The legislative task force on teacher licensure includes:

97.10 (1) six duly elected and currently serving senators, three appointed by the senate
97.11 majority leader and three appointed by the senate minority leader; and

97.12 (2) six duly elected and currently serving members of the house of representatives,
97.13 three appointed by the speaker and three appointed by the house minority leader.

97.14 Only duly elected and currently serving members of the senate or house of representatives
97.15 may be task force members.

97.16 (c) The appointments must be made by June 1, 2016, and expire February 2, 2017. If
97.17 a vacancy occurs, the leader of the caucus in the house or senate to which the vacating
97.18 task force member belonged must fill the vacancy. A senate member appointed by the
97.19 senate majority leader shall convene the first meeting of the task force. The task force
97.20 shall elect a chair or co-chairs from among the members at the first meeting. The task force
97.21 must meet periodically. The Legislative Coordinating Commission shall provide technical
97.22 and administrative assistance upon request.

97.23 (d) In reviewing the legislative auditor's report and developing its recommendations,
97.24 the task force must consult with interested and affected stakeholders, including
97.25 representatives of the Board of Teaching, Minnesota Department of Education, Education
97.26 Minnesota, MinnCAN, Minnesota Business Partnership, Minnesota Rural Education
97.27 Association, Association of Metropolitan School Districts, Minnesota Association of
97.28 Colleges for Teacher Education, College of Education and Human Development at
97.29 the University of Minnesota, Minnesota State Colleges and Universities, Minnesota
97.30 Private College Council, Minnesota School Boards Association, Minnesota Elementary
97.31 School Principals' Association, Minnesota Association of Secondary School Principals,
97.32 Minnesota Association of School Administrators, Minnesota Indian Affairs Council, the
97.33 Council on Asian Pacific Minnesotans, Council for Minnesotans of African Heritage,
97.34 Minnesota Council on Latino Affairs, Minnesota Association of Educators, and Minnesota
97.35 Teach For America, among other stakeholders.

97.36 (e) The task force expires February 2, 2017, unless extended by law.

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

98.2 Sec. 22. **REPEALER.**

98.3 Minnesota Statutes 2014, section 122A.245, subdivision 8, is repealed.

98.4 **ARTICLE 8**

98.5 **EARLY CHILDHOOD**

98.6 Section 1. Minnesota Statutes 2015 Supplement, section 124D.165, subdivision 2,
98.7 is amended to read:

98.8 Subd. 2. **Family eligibility.** (a) For a family to receive an early learning scholarship,
98.9 parents or guardians must meet the following eligibility requirements:

98.10 (1) have a child three or four years of age on September 1 of the current school year,
98.11 who has not yet started kindergarten; and

98.12 (2) have income equal to or less than 185 percent of federal poverty level income
98.13 in the current calendar year, or be able to document their child's current participation in
98.14 the free and reduced-price lunch program or child and adult care food program, National
98.15 School Lunch Act, United States Code, title 42, sections 1751 and 1766; the Food
98.16 Distribution Program on Indian Reservations, Food and Nutrition Act, United States
98.17 Code, title 7, sections 2011-2036; Head Start under the federal Improving Head Start for
98.18 School Readiness Act of 2007; Minnesota family investment program under chapter 256J;
98.19 child care assistance programs under chapter 119B; the supplemental nutrition assistance
98.20 program; or placement in foster care under section 260C.212.

98.21 (b) Notwithstanding the other provisions of this section, a parent under age 21 who
98.22 is pursuing a high school or general education equivalency diploma is eligible for an early
98.23 learning scholarship if the parent has a child age zero to five years old and meets the
98.24 income eligibility guidelines in this subdivision.

98.25 (c) Any siblings between the ages zero to five years old of a child who has been
98.26 awarded a scholarship under this section must be awarded a scholarship upon request,
98.27 provided the sibling attends the same program as long as funds are available.

98.28 (d) A child who has received a scholarship under this section must continue to
98.29 receive a scholarship each year until that child is eligible for kindergarten under section
98.30 120A.20 and as long as funds are available.

98.31 (e) Early learning scholarships may not be counted as earned income for the
98.32 purposes of medical assistance under chapter 256B, MinnesotaCare under chapter 256L,
98.33 Minnesota family investment program under chapter 256J, child care assistance programs

99.1 under chapter 119B, or Head Start under the federal Improving Head Start for School
99.2 Readiness Act of 2007.

99.3 (f) A child from an adjoining state whose family resides at a Minnesota address as
99.4 assigned by the United States Postal Service, who has received developmental screening
99.5 under sections 121A.16 to 121A.19, who intends to enroll in a Minnesota school district,
99.6 and whose family meets the criteria of paragraph (a) is eligible for an early learning
99.7 scholarship under this section.

99.8 (g) A child whose family is homeless and meets the criteria in paragraph (a), clause
99.9 (1), is eligible for an early learning scholarship under this section.

99.10 ARTICLE 9

99.11 CHARTER SCHOOL RECODIFICATION

99.12 Section 1. Minnesota Statutes 2015 Supplement, section 124E.01, is amended to read:

99.13 124E.01 PURPOSE AND APPLICABILITY.

99.14 Subdivision 1. **Purposes.** The primary purpose of ~~this chapter~~ charter schools is to
99.15 improve all pupil learning and all student achievement. Additional purposes include to:

99.16 (1) increase learning opportunities for all pupils;

99.17 (2) encourage the use of different and innovative teaching methods;

99.18 (3) measure learning outcomes and create different and innovative forms of
99.19 measuring outcomes;

99.20 (4) establish new forms of accountability for schools; or

99.21 (5) create new professional opportunities for teachers, including the opportunity to
99.22 be responsible for the learning program at the school site.

99.23 Subd. 2. **Applicability.** This chapter applies only to charter schools formed and
99.24 operated under this chapter. Other statutes and rules that specifically apply to charter
99.25 schools also govern charter schools.

99.26 Sec. 2. Minnesota Statutes 2015 Supplement, section 124E.02, is amended to read:

99.27 124E.02 DEFINITIONS.

99.28 (a) For purposes of this chapter, the terms defined in this ~~paragraph~~ section have
99.29 the meanings given them.

99.30 ~~"Application" to receive approval as an authorizer means the proposal an eligible~~
99.31 ~~authorizer submits to the commissioner under section 124E.05 before that authorizer is~~
99.32 ~~able to submit any affidavit to charter to a school.~~

100.1 ~~"Application" under section 124E.06 means the charter school business plan a~~
 100.2 ~~school developer submits to an authorizer for approval to establish a charter school that~~
 100.3 ~~documents the school developer's mission statement, school purposes, program design,~~
 100.4 ~~financial plan, governance and management structure, and background and experience,~~
 100.5 ~~plus any other information the authorizer requests. The application also shall include a~~
 100.6 ~~"statement of assurances" of legal compliance prescribed by the commissioner.~~

100.7 (b) "Affidavit" means a written statement the authorizer submits to the commissioner
 100.8 for approval to establish a charter school under section 124E.06, subdivision 4, attesting to
 100.9 its review and approval process before chartering a school.

100.10 ~~(b) For purposes of this chapter:~~

100.11 ~~(1) "related party" means an affiliate or immediate relative of the other party in~~
 100.12 ~~question, an affiliate of an immediate relative, or an immediate relative of an affiliate;~~

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

100.15 ~~(d) "Control" means the ability to affect the management, operations, or policy actions~~
 100.16 ~~or decisions of a person, whether by owning voting securities, by contract, or otherwise.~~

100.17 ~~(3) (e) "Immediate family" means an individual whose relationship by blood,~~
 100.18 ~~marriage, adoption, or partnering partnership is no more remote than first cousin;~~

100.19 ~~(4) (f) "Person" means an individual or entity of any kind; and~~

100.20 ~~(5) "control" means the ability to affect the management, operations, or policy~~
 100.21 ~~actions or decisions of a person, whether through ownership of voting securities, by~~
 100.22 ~~contract, or otherwise.~~

100.23 (g) "Related party" means an affiliate or immediate relative of the other interested
 100.24 party, an affiliate of an immediate relative who is the other interested party, or an
 100.25 immediate relative of an affiliate who is the other interested party.

100.26 (h) For purposes of this chapter, the terms defined in section 120A.05 have the
 100.27 same meanings.

100.28 Sec. 3. Minnesota Statutes 2015 Supplement, section 124E.03, is amended to read:

100.29 **124E.03 APPLICABLE LAW.**

100.30 Subdivision 1. **Public status; exemption from statutes and rules.** A charter school
 100.31 is a public school and is part of the state's system of public education. A charter school is
 100.32 exempt from all statutes and rules applicable to a school, school board, or school district
 100.33 unless a statute or rule is made specifically applicable to a charter school or is included
 100.34 in this chapter.

101.1 Subd. 2. **General Certain federal, state, and local requirements.** (a) A charter
101.2 school shall meet all federal, state, and local health and safety requirements applicable
101.3 to school districts.

101.4 (b) A school must comply with statewide accountability requirements governing
101.5 standards and assessments in chapter 120B.

101.6 (c) A charter school ~~is subject to and~~ must comply with the Minnesota Public School
101.7 Fee Law, sections 123B.34 to 123B.39.

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

101.9 (e) A charter school ~~is subject to~~ must comply with the Pledge of Allegiance
101.10 requirement under section 121A.11, subdivision 3.

101.11 (f) A charter school and charter school board of directors ~~are subject to~~ must comply
101.12 with chapter 181 governing requirements for employment.

101.13 (g) A charter school ~~is subject to and~~ must comply with continuing truant notification
101.14 under section 260A.03.

101.15 (h) A charter school must develop and implement a teacher evaluation and peer
101.16 review process under section 122A.40, subdivision 8, paragraph (b), clauses (2) to
101.17 (13). The teacher evaluation process in this paragraph does not create any additional
101.18 employment rights for teachers.

101.19 (i) A charter school must adopt a policy, plan, budget, and process, consistent with
101.20 section 120B.11, to review curriculum, instruction, and student achievement and strive
101.21 for the world's best workforce.

101.22 Subd. 3. **Pupils with a disability.** A charter school must comply with sections
101.23 125A.02, 125A.03 to 125A.24, 125A.65, and 125A.75 and rules relating to the education
101.24 of pupils with a disability as though it were a district. A charter school enrolling
101.25 prekindergarten pupils with a disability under section 124E.11, paragraph (h), must
101.26 comply with sections 125A.259 to 125A.48 and rules relating to the Interagency Early
101.27 Intervention System as though it were a school district.

101.28 Subd. 4. **Students' rights and related law.** (a) A charter school ~~student~~ must
101.29 ~~be released~~ release a student for religious instruction, consistent with section 120A.22,
101.30 subdivision 12, clause (3).

101.31 (b) A charter school ~~is subject to and~~ must comply with chapter 363A governing the
101.32 Minnesota Human Rights Act and section 121A.04 governing student athletics and sex
101.33 discrimination in schools.

101.34 (c) A charter school must comply with section 121A.031 governing policies on
101.35 ~~prohibited conduct~~ bullying.

102.1 Subd. 5. **Records, meetings, and data requirements.** (a) A charter school must
 102.2 comply with ~~chapters~~ chapter 13 and 13D governing government data; and sections
 102.3 ~~120A.22, subdivision 7; 121A.75;~~ governing access to juvenile justice records, and
 102.4 260B.171, subdivisions 3 and 5, governing juvenile justice records.

102.5 (b) A charter school must comply with section 120A.22, subdivision 7, governing
 102.6 the transfer of students' educational records and sections 138.163 and 138.17 governing
 102.7 the management of local records.

102.8 Subd. 5a. **Open meetings.** A charter school must comply with chapter 13D
 102.9 governing open meetings.

102.10 Subd. 6. **Length of school year.** A charter school must provide instruction each
 102.11 year for at least the number of hours required by section 120A.41. It may provide
 102.12 instruction throughout the year ~~according to~~ under sections 124D.12 to 124D.127 or
 102.13 124D.128 governing learning year programs.

102.14 Subd. 7. **Additional program-specific requirements.** (a) A charter school offering
 102.15 online courses or programs must comply with section 124D.095 governing online learning.

102.16 (b) A charter school that provides early childhood health and developmental screening
 102.17 must comply with sections 121A.16 to 121A.19 governing early childhood screening.

102.18 (c) A charter school that provides school-sponsored youth athletic activities must
 102.19 comply with section 121A.38 governing policies on concussions.

102.20 Sec. 4. Minnesota Statutes 2015 Supplement, section 124E.05, is amended to read:

102.21 **124E.05 AUTHORIZERS.**

102.22 Subdivision 1. **Eligible authorizers.** (a) The following organizations in this
 102.23 subdivision may authorize one or more charter schools:

102.24 ~~(1)~~ (b) A school board, intermediate school district school board, or education
 102.25 district organized under sections 123A.15 to 123A.19; may authorize a charter school.

102.26 ~~(2)~~ (c) A charitable organization under section 501(c)(3) of the Internal Revenue
 102.27 Code of 1986, ~~excluding a nonpublic sectarian or religious institution; any person other~~
 102.28 ~~than a natural person that directly or indirectly, through one or more intermediaries,~~
 102.29 ~~controls, is controlled by, or is under common control with the nonpublic sectarian or~~
 102.30 ~~religious institution; and any other charitable organization under this clause that in the~~
 102.31 ~~federal IRS Form 1023, Part IV, describes activities indicating a religious purpose, that~~
 102.32 may authorize a charter school, if the organization:

102.33 ~~(i)~~ (1) is a member of the Minnesota Council of Nonprofits or the Minnesota Council
 102.34 on Foundations;

102.35 ~~(ii)~~ (2) is registered with the attorney general's office; ~~and~~

103.1 ~~(iii)~~ (3) is incorporated in the state of Minnesota and has been operating continuously
 103.2 for at least five years but does not operate a charter school; and

103.3 (4) is not:

103.4 (i) a nonpublic sectarian or religious institution;

103.5 (ii) any person other than a natural person that directly or indirectly, through one
 103.6 or more intermediaries, controls, is controlled by, or is under common control with the
 103.7 nonpublic sectarian or religious institution; or

103.8 (iii) any other charitable organization under this paragraph that in the federal IRS
 103.9 Form 1023, Part IV, describes activities indicating a religious purpose.

103.10 ~~(3)~~ (d) A Minnesota private college, ~~notwithstanding clause (2),~~ that grants two- or
 103.11 four-year degrees and is registered with the Minnesota Office of Higher Education under
 103.12 chapter 136A; may authorize a charter school, notwithstanding paragraph (c).

103.13 ~~(e) community college, A state college or university, or technical college governed~~
 103.14 ~~by the Board of Trustees of the Minnesota State Colleges and Universities; or~~ may
 103.15 authorize a charter school.

103.16 ~~(f) The University of Minnesota;~~ may authorize a charter school.

103.17 ~~(4)~~ (g) A nonprofit corporation subject to chapter 317A, described in section
 103.18 317A.905; and exempt from federal income tax under section 501(c)(6) of the Internal
 103.19 Revenue Code of 1986, may authorize one or more charter schools if the charter school
 103.20 has operated for at least three years under a different authorizer and if the nonprofit
 103.21 corporation has existed for at least 25 years; ~~or.~~

103.22 ~~(5)~~ (h) A single-purpose ~~authorizers~~ authorizer formed as a charitable, nonsectarian
 103.23 ~~organizations~~ organization under section 501(c)(3) of the Internal Revenue Code of 1986
 103.24 and incorporated in the state of Minnesota under chapter 317A as a corporation with no
 103.25 members or under section 322B.975 as a nonprofit limited liability company for the sole
 103.26 purpose of chartering schools may authorize a charter school. An eligible organization
 103.27 interested in being approved as an authorizer under this paragraph must submit a proposal
 103.28 to the commissioner that includes the provisions of subdivision 3 and a five-year financial
 103.29 plan. A single-purpose authorizer under this paragraph shall consider and approve
 103.30 charter school applications using the criteria under section 124E.06 and shall not limit
 103.31 the applications it solicits, considers, or approves to any single curriculum, learning
 103.32 program, or method.

103.33 **Subd. 2. Requirements for authorizers.** ~~(a) Eligible organizations interested in~~
 103.34 ~~being approved as an authorizer under subdivision 1, clause (5), must submit a proposal to~~
 103.35 ~~the commissioner that includes the provisions of subdivision 3 and a five-year financial~~
 103.36 ~~plan. Such authorizers shall consider and approve charter school applications using~~

104.1 ~~the criteria provided in section 124E.06 and shall not limit the applications it solicits,~~
 104.2 ~~considers, or approves to any single curriculum, learning program, or method.~~

104.3 (b) The authorizer must participate in department-approved training.

104.4 Subd. 3. **Application process.** (a) An eligible authorizer under this section must
 104.5 apply to the commissioner for approval as an authorizer before submitting any affidavit to
 104.6 the commissioner to charter a school. The application for approval as a charter school
 104.7 authorizer must ~~demonstrate~~ show the applicant's ability to implement the procedures
 104.8 and satisfy the criteria for chartering a school under this chapter. The commissioner
 104.9 must approve or disapprove ~~an~~ the application within 45 business days of the ~~application~~
 104.10 ~~deadline for that application period.~~ If the commissioner disapproves the application, the
 104.11 commissioner must notify the applicant of the specific deficiencies in writing and the
 104.12 applicant then has 20 business days to address the deficiencies to the commissioner's
 104.13 satisfaction. After the 20 business days expire, the commissioner has 15 business days
 104.14 to make a final decision to approve or disapprove the application. Failing to address
 104.15 the deficiencies to the commissioner's satisfaction makes an applicant ineligible to be
 104.16 an authorizer. The commissioner, in establishing criteria ~~for approval to approve an~~
 104.17 authorizer, consistent with subdivision 4, must consider the applicant's:

104.18 (1) ~~capacity and infrastructure and capacity to serve as an authorizer;~~

104.19 (2) application criteria and process;

104.20 (3) contracting process;

104.21 (4) ongoing oversight and evaluation processes; and

104.22 (5) renewal criteria and processes.

104.23 (b) A disapproved applicant under this section may resubmit an application during a
 104.24 future application period.

104.25 Subd. 4. **Application content.** To be approved as an authorizer, an applicant must
 104.26 include in its application to the commissioner ~~to be an approved authorizer~~ at least the
 104.27 following:

104.28 (1) how the organization carries out its mission by chartering schools ~~is a way for~~
 104.29 ~~the organization to carry out its mission;~~

104.30 (2) ~~a description of the capacity of the organization~~ the organization's capacity to
 104.31 serve as an authorizer, including the personnel who ~~will~~ perform the authorizing duties,
 104.32 their qualifications, the amount of time they ~~will be~~ are assigned to this responsibility, and
 104.33 the financial resources ~~allocated by the organization~~ allocates to this responsibility;

104.34 (3) ~~a description of the application and review process the authorizer will use~~ uses to
 104.35 ~~make decisions regarding the granting of~~ decide whether to grant charters;

105.1 (4) ~~a description of the type of contract it will arrange~~ arranges with the schools it
 105.2 charters ~~that meets~~ to meet the provisions of section 124E.10;

105.3 (5) the process ~~to be used for providing ongoing oversight of~~ overseeing the school,
 105.4 consistent with ~~the contract expectations specified in clause (4) that assures,~~ to ensure that
 105.5 the schools chartered ~~are complying~~ comply with ~~both the provisions of~~ applicable law
 105.6 and rules; and ~~with~~ the contract;

105.7 (6) ~~a description of the criteria and process the authorizer will use~~ uses to ~~grant~~
 105.8 ~~expanded~~ approve applications adding grades or sites under section 124E.06, subdivision 5;

105.9 (7) the process for ~~making decisions regarding the renewal or termination of~~ renewing
 105.10 or terminating the school's charter based on evidence ~~that demonstrates~~ showing the
 105.11 academic, organizational, and financial competency of the school, including its success in
 105.12 increasing student achievement and meeting the goals of the charter school agreement; and

105.13 (8) an assurance specifying that the organization is committed to serving as an
 105.14 authorizer for the full five-year term.

105.15 Subd. 5. **Review by commissioner.** The commissioner shall review an authorizer's
 105.16 performance every five years in a manner and form determined by the commissioner and
 105.17 may review an authorizer's performance more frequently at the commissioner's own
 105.18 initiative or at the request of a charter school operator, charter school board member, or
 105.19 other interested party. The commissioner, after completing the review, shall transmit a
 105.20 report with findings to the authorizer.

105.21 Subd. 6. **Corrective action.** (a) If, consistent with this chapter, the commissioner
 105.22 finds that an authorizer has not ~~fulfilled~~ met the requirements of this chapter, the
 105.23 commissioner may subject the authorizer to corrective action, which may include
 105.24 terminating the contract with the charter school board of directors of a school it chartered.
 105.25 The commissioner must notify the authorizer in writing of any findings that may subject
 105.26 the authorizer to corrective action and the authorizer then has 15 business days to request
 105.27 an informal hearing before the commissioner takes corrective action. If the commissioner
 105.28 terminates a contract between an authorizer and a charter school under this paragraph, the
 105.29 commissioner may assist the charter school in acquiring a new authorizer.

105.30 (b) The commissioner may at any time take corrective action against an authorizer,
 105.31 including terminating an authorizer's ability to charter a school for:

105.32 (1) failing to demonstrate the criteria under subdivision 4 3 under which the
 105.33 commissioner approved the authorizer;

105.34 (2) violating a term of the chartering contract between the authorizer and the charter
 105.35 school board of directors;

105.36 (3) unsatisfactory performance as an approved authorizer; or

106.1 (4) any good cause shown that ~~provides~~ gives the commissioner a legally sufficient
 106.2 reason to take corrective action against an authorizer.

106.3 Subd. 7. **Withdrawal.** If the governing board of an approved authorizer votes to
 106.4 withdraw as an approved authorizer for a reason unrelated to any cause under section
 106.5 124E.10, subdivision 4, the authorizer must notify all its chartered schools and the
 106.6 commissioner in writing by July 15 of its intent to withdraw as an authorizer on June 30 in
 106.7 the next calendar year, regardless of when the authorizer's five-year term of approval ends.
 106.8 The commissioner may approve the transfer of a charter school to a new authorizer ~~under~~
 106.9 ~~this subdivision~~ after the new authorizer submits an affidavit to the commissioner.

106.10 Subd. 8. **Reports.** By September 30 of each year, an authorizer shall submit to the
 106.11 commissioner a statement of income and expenditures related to chartering activities
 106.12 during the previous school year ending June 30. ~~A copy of the statement shall be given~~
 106.13 ~~to all schools chartered by the authorizer.~~ The authorizer must transmit a copy of the
 106.14 statement to all schools it charters.

106.15 Sec. 5. Minnesota Statutes 2015 Supplement, section 124E.06, is amended to read:

106.16 **124E.06 FORMING A SCHOOL.**

106.17 Subdivision 1. **Individuals eligible to organize.** (a) An authorizer, after receiving
 106.18 an application from a charter school developer, may charter either a licensed teacher
 106.19 under section 122A.18, subdivision 1, or a group of individuals that includes one or more
 106.20 licensed teachers under section 122A.18, subdivision 1, to operate a school subject to the
 106.21 commissioner's approval of the authorizer's affidavit under subdivision 4.

106.22 (b) "Application" under this section means the charter school business plan a charter
 106.23 school developer submits to an authorizer for approval to establish a charter school. This
 106.24 application must include:

106.25 (1) the school developer's:

106.26 (i) mission statement;

106.27 (ii) school purposes;

106.28 (iii) program design;

106.29 (iv) financial plan;

106.30 (v) governance and management structure; and

106.31 (vi) background and experience;

106.32 (2) any other information the authorizer requests; and

106.33 (3) a "statement of assurances" of legal compliance prescribed by the commissioner.

106.34 ~~(b)~~ (c) An authorizer shall not approve an application submitted by a charter school
 106.35 developer under paragraph (a) if the application does not comply with subdivision 3,

107.1 paragraph ~~(d)~~ (e), and section 124E.01, subdivision 1. The commissioner shall not
 107.2 approve an affidavit submitted by an authorizer under subdivision 4 if the affidavit does
 107.3 not comply with subdivision 3, paragraph ~~(d)~~ (e), and section 124E.01, subdivision 1.

107.4 Subd. 2. **Nonprofit corporation.** (a) The school must be organized and operated as
 107.5 a nonprofit corporation under chapter 317A and the provisions ~~under the applicable of that~~
 107.6 chapter shall apply to the school except as provided in this chapter.

107.7 ~~(b)~~ (b) The operators authorized to organize and operate a school; must incorporate as a
 107.8 nonprofit corporation before entering into a contract or other agreement for professional
 107.9 or other services, goods, or facilities; ~~must incorporate as a nonprofit corporation under~~
 107.10 ~~chapter 317A.~~

107.11 ~~(e)~~ (b) Notwithstanding sections 465.717 and 465.719, a school district, subject to
 107.12 this chapter, may create a corporation for the purpose of establishing a charter school.

107.13 Subd. 3. **Requirements.** (a) The primary focus of a charter school must be to
 107.14 provide a comprehensive program of instruction for at least one grade or age group from
 107.15 ages five through 18 years of age. ~~Instruction~~ A charter school may be provided
 107.16 instruction to people older than 18 years of age.

107.17 ~~(b)~~ (b) A charter school may offer a free or fee-based preschool or prekindergarten that
 107.18 meets high-quality early learning instructional program standards ~~that are~~ aligned with
 107.19 Minnesota's early learning standards for children. The hours a student is enrolled in a
 107.20 fee-based prekindergarten program do not generate pupil units under section 126C.05 and
 107.21 must not be used to calculate general education revenue under section 126C.10.

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

107.26 ~~(e)~~ (d) ~~Charter schools~~ A charter school must not be used as a method of providing
 107.27 to provide education or ~~generating~~ generate revenue for ~~students who are being~~
 107.28 home-schooled students. This paragraph does not apply to shared time aid under section
 107.29 126C.19.

107.30 ~~(d)~~ (e) This chapter does not provide a means to keep open a school that a
 107.31 school board decides to close. However, a school board may endorse or authorize ~~the~~
 107.32 ~~establishment of~~ establishing a charter school to replace the school the board decided to
 107.33 close. Applicants seeking a charter under this circumstance must demonstrate to the
 107.34 authorizer that the charter sought is substantially different in purpose and program from
 107.35 the school the board closed and that the proposed charter satisfies the requirements of
 107.36 section 124E.01, subdivision 1. If the school board that closed the school authorizes

108.1 the charter, it must document in its affidavit to the commissioner that the charter is
 108.2 substantially different in program and purpose from the school it closed.

108.3 ~~(e)~~ (f) A school authorized by a school board may be located in any district, unless
 108.4 the school board of the district of the proposed location disapproves the location by
 108.5 written resolution.

108.6 ~~(f)~~ (g) Except as provided in paragraph ~~(a)~~ (b), a charter school may not charge tuition.

108.7 ~~(g)~~ (h) The authorizer may prevent an approved charter school from opening for
 108.8 operation if, among other grounds, the charter school violates this chapter or does not meet
 108.9 the ready-to-open standards that are part of (1) the authorizer's oversight and evaluation
 108.10 process or ~~are~~ (2) stipulated in the charter school contract.

108.11 Subd. 4. ~~**Authorizer's affidavit; approval process; authorizer's affidavit.**~~ (a)
 108.12 ~~Before the operators~~ an operator may establish and operate a school, the authorizer must
 108.13 file an affidavit with the commissioner stating its intent to charter a school. An authorizer
 108.14 must file a separate affidavit for each school it intends to charter. An authorizer must file
 108.15 an affidavit at least 14 months before July 1 of the year the new charter school plans to
 108.16 serve students. The affidavit must state:

108.17 (1) the terms and conditions under which the authorizer would charter a school; and

108.18 (2) how the authorizer intends to oversee;

108.19 (i) the fiscal and student performance of the charter school; and

108.20 ~~to comply~~ (ii) compliance with the terms of the written contract between the
 108.21 authorizer and the charter school board of directors under section 124E.10, subdivision 1.

108.22 (b) The commissioner must approve or disapprove the authorizer's affidavit within
 108.23 60 business days of ~~receipt of~~ receiving the affidavit. If the commissioner disapproves the
 108.24 affidavit, the commissioner shall notify the authorizer of the deficiencies in the affidavit
 108.25 and the authorizer then has 20 business days to address the deficiencies. The commissioner
 108.26 must notify the authorizer of the commissioner's final approval or final disapproval
 108.27 within 15 business days after receiving the authorizer's response to the deficiencies
 108.28 in the affidavit. If the authorizer does not address deficiencies to the commissioner's
 108.29 satisfaction, the commissioner's disapproval is final. ~~Failure to obtain commissioner~~
 108.30 ~~approval precludes~~ An authorizer who fails to obtain the commissioner's approval is
 108.31 precluded from chartering the school that is the subject of this affidavit.

108.32 Subd. 5. ~~**Expansion of a charter**~~ **Adding grades or sites.** (a) A charter school
 108.33 may apply to the authorizer to amend the school charter to ~~expand the operation of~~
 108.34 ~~the school to additional~~ add grades or sites ~~that would be students' primary enrollment~~
 108.35 ~~site~~ sites beyond those defined in the original affidavit approved by the commissioner.
 108.36 After approving the school's application, the authorizer shall submit a supplementary

109.1 supplemental affidavit in the form and manner prescribed by the commissioner. The
 109.2 authorizer must file a ~~supplement~~ supplemental affidavit to the commissioner by October
 109.3 1 to be eligible to ~~expand~~ add grades or sites in the next school year. The ~~supplementary~~
 109.4 supplemental affidavit must document ~~that the school has demonstrated~~ to the authorizer's
 109.5 satisfaction ~~of the authorizer~~ ~~the following~~:

109.6 (1) the need for the ~~expansion~~ additional grades or sites with supporting long-range
 109.7 enrollment projections;

109.8 (2) a longitudinal record of ~~demonstrated~~ student academic performance and growth
 109.9 on statewide assessments under chapter 120B or on other academic assessments that
 109.10 measure longitudinal student performance and growth approved by the charter school's
 109.11 board of directors and agreed upon with the authorizer;

109.12 (3) a history of sound school finances and a ~~finance~~ plan to ~~implement the expansion~~
 109.13 ~~in a manner to promote~~ add grades or sites that sustains the school's ~~financial sustainability~~
 109.14 finances; and

109.15 (4) board capacity ~~and an administrative and management plan to implement its~~
 109.16 ~~expansion to administer and manage the additional grades or sites.~~

109.17 (b) The commissioner shall have 30 business days to review and comment on the
 109.18 supplemental affidavit. The commissioner shall notify the authorizer in writing of any
 109.19 deficiencies in the supplemental affidavit and the authorizer then has 20 business days to
 109.20 address; ~~to the commissioner's satisfaction~~; any deficiencies in the supplemental affidavit
 109.21 to the commissioner's satisfaction. The commissioner must notify the authorizer of final
 109.22 approval or final disapproval within 15 business days after receiving the authorizer's
 109.23 response to the deficiencies in the affidavit. The school may not ~~expand~~ add grades or ~~add~~
 109.24 sites until the commissioner has approved the supplemental affidavit. The commissioner's
 109.25 approval or disapproval of a supplemental affidavit is final.

109.26 Subd. 6. **Conversion of existing schools.** A board of an independent or special
 109.27 school district may convert one or more of its existing schools to charter schools under
 109.28 this chapter if 60 percent of the full-time teachers at the school sign a petition seeking
 109.29 conversion. The conversion must occur at the beginning of an academic year.

109.30 Subd. 7. **Merger.** (a) Two or more charter schools may merge under chapter 317A.
 109.31 The effective date of a merger must be July 1. The merged school must continue under
 109.32 the identity of one of the merging schools. The authorizer and the merged school must
 109.33 execute a new charter contract under section 124E.10, subdivision 1, ~~must be executed~~ by
 109.34 July 1. The authorizer must submit to the commissioner a copy of the new signed charter
 109.35 contract within ten business days of ~~its execution~~ executing the contract.

110.1 (b) Each merging school must submit a separate year-end report for the previous
 110.2 fiscal year for that school only. After the final fiscal year of the premerger schools is
 110.3 closed out, each of those schools must transfer the fund balances and debts from the
 110.4 ~~merging schools must be transferred~~ to the merged school.

110.5 (c) For its first year of operation, the merged school is eligible to receive aid from
 110.6 programs requiring approved applications equal to the sum of the aid of all of the merging
 110.7 schools. For aids based on prior year data, the merged school is eligible to receive aid for
 110.8 its first year of operation based on the combined data of all of the merging schools.

110.9 Sec. 6. Minnesota Statutes 2015 Supplement, section 124E.07, is amended to read:

110.10 **124E.07 BOARD OF DIRECTORS.**

110.11 Subdivision 1. **Initial board of directors.** Before entering into a contract or other
 110.12 agreement for professional or other services, goods, or facilities, the operators authorized
 110.13 to organize and operate a school, ~~before entering into a contract or other agreement for~~
 110.14 ~~professional or other services, goods, or facilities,~~ must establish a board of directors
 110.15 composed of at least five members who are not related parties. The initial board continues
 110.16 to serve until a timely election for members of the ongoing charter school board of
 110.17 directors is held according to the school's articles and bylaws under subdivision 4.

110.18 Subd. 2. **Ongoing board of directors.** The ongoing board must be elected before
 110.19 the school completes its third year of operation. Board elections must be held during the
 110.20 school year but may not be conducted on days when the school is closed ~~for holidays,~~
 110.21 ~~breaks, or vacations.~~

110.22 Subd. 3. **Membership criteria.** (a) The ongoing charter school board of directors
 110.23 shall ~~be composed of~~ have at least five nonrelated members and include: (1) at least
 110.24 one licensed teacher who is employed as a teacher at the school or ~~providing~~ provides
 110.25 instruction under contract between the charter school and a cooperative; (2) at least one
 110.26 parent or legal guardian of a student enrolled in the charter school who is not an employee
 110.27 of the charter school; and (3) at least one interested community member who resides in
 110.28 Minnesota ~~and~~ ₂ is not employed by the charter school₂ and does not have a child enrolled
 110.29 in the school. The board structure may include a majority of teachers ~~described in~~ under
 110.30 this paragraph or parents or community members, or it may have no clear majority. The
 110.31 chief financial officer and the chief administrator may only serve as ex-officio nonvoting
 110.32 board members. No charter school employees shall serve on the board other than teachers
 110.33 under clause (1). Contractors providing facilities, goods, or services to a charter school
 110.34 shall not serve on the board of directors of the charter school.

111.1 (b) An individual is prohibited from serving as a member of the charter school board
 111.2 of directors if: (1) the individual, an immediate family member, or the individual's partner
 111.3 is a full or part owner or principal with a for-profit or nonprofit entity or independent
 111.4 contractor with whom the charter school contracts, directly or indirectly, for professional
 111.5 services, goods, or facilities. ~~An individual is prohibited from serving as a board member~~
 111.6 ~~if;~~ or (2) an immediate family member is an employee of the school. An individual may
 111.7 serve as a member of the board of directors if no conflict of interest exists under this
 111.8 paragraph, consistent with this section.

111.9 (c) A violation of ~~this prohibition~~ paragraph (b) renders a contract voidable at the
 111.10 option of the commissioner or the charter school board of directors. A member of a charter
 111.11 school board of directors who violates ~~this prohibition~~ paragraph (b) is individually liable
 111.12 to the charter school for any damage caused by the violation.

111.13 ~~(e)~~ (d) Any employee, agent, or board member of the authorizer who participates
 111.14 ~~in the initial review, approval, ongoing oversight, evaluation, or the charter renewal or~~
 111.15 ~~nonrenewal process or decision~~ initially reviewing, approving, overseeing, evaluating,
 111.16 renewing, or not renewing the charter school is ineligible to serve on the board of directors
 111.17 of a school chartered by that authorizer.

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

111.20 Subd. 4. **Structure of Board structure.** Board bylaws shall outline the process and
 111.21 procedures for changing the board's governance structure, consistent with chapter 317A.
 111.22 A board may change its governance structure only:

111.23 (1) by a majority vote of the board of directors and a majority vote of the licensed
 111.24 teachers employed by the school as teachers, including licensed teachers providing
 111.25 instruction under a contract between the school and a cooperative; and

111.26 (2) with the authorizer's approval.

111.27 Any change in board governance structure must conform with the board composition
 111.28 ~~of the board~~ established under this ~~subdivision~~ section.

111.29 Subd. 5. **Eligible voters.** Staff members employed at the school, including teachers
 111.30 providing instruction under a contract with a cooperative, members of the board of
 111.31 directors, and all parents or legal guardians of children enrolled in the school are the voters
 111.32 eligible to elect the members of the school's board of directors. A charter school must
 111.33 notify eligible voters of the school board election dates at least 30 days before the election.

111.34 Subd. 6. **Duties.** The board of directors also shall decide and ~~be~~ is responsible
 111.35 for policy matters related to ~~the operation of~~ operating the school, including budgeting,
 111.36 curriculum programming, personnel, and operating procedures. The board shall adopt a

112.1 ~~policy on nepotism in employment~~ policy. The board shall adopt personnel evaluation
112.2 policies and practices that, at a minimum:

112.3 (1) carry out the school's mission and goals;

112.4 (2) evaluate ~~the execution of~~ how charter contract goals and commitments are
112.5 executed;

112.6 (3) evaluate student achievement, postsecondary and workforce readiness, and
112.7 student engagement and connection goals;

112.8 (4) establish a teacher evaluation process under section 124E.03, subdivision 2,
112.9 paragraph (h); and

112.10 (5) provide professional development related to the individual's job responsibilities.

112.11 Subd. 7. **Training.** Every charter school board member shall attend annual training
112.12 throughout the member's term ~~on the board~~. All new board members shall attend initial
112.13 training on the board's role and responsibilities, employment policies and practices, and
112.14 financial management. A new board member who does not begin the required initial
112.15 training within six months after being seated and complete that training within 12 months
112.16 ~~of after~~ being seated ~~on the board~~ is automatically ineligible to continue to serve as a board
112.17 member. The school shall include in its annual report the training each board member
112.18 ~~attended by each board member~~ during the previous year.

112.19 Subd. 8. **Meetings and information.** (a) Board of director meetings must comply
112.20 with chapter 13D governing open meetings.

112.21 (b) A charter school shall publish and maintain on the school's official Web site: (1)
112.22 the meeting minutes of meetings of the board of directors; and of members and committees
112.23 having ~~any~~ board-delegated authority, for at least ~~one calendar year~~ 365 days from the
112.24 date of publication; (2) directory information for ~~members of~~ the board of directors and
112.25 for the members of committees having board-delegated authority; and (3) identifying and
112.26 contact information for the school's authorizer.

112.27 (c) A charter school must include identifying and contact information for the school's
112.28 authorizer ~~must be included~~ in other school materials ~~made~~ it makes available to the public.

112.29 Sec. 7. Minnesota Statutes 2015 Supplement, section 124E.08, is amended to read:

112.30 **124E.08 COLLABORATION BETWEEN CHARTER SCHOOL AND**
112.31 **SCHOOL DISTRICT COLLABORATION.**

112.32 (a) A charter school board may voluntarily enter into a two-year, renewable
112.33 collaboration agreement for collaboration with a school district in which the charter school
112.34 is geographically located to enhance student the achievement ~~with a school district within~~

113.1 ~~whose geographic boundary it operates~~ of the students in the district and the students in
 113.2 the charter school.

113.3 ~~(b) A school district need~~ does not need to be either an approved authorizer or the
 113.4 authorizer of the charter school to enter into a collaboration agreement with a charter
 113.5 school under this section. A charter school need not be authorized by the school district
 113.6 with which it seeks to collaborate.

113.7 ~~(e) A charter school authorizer is prohibited from requiring a collaboration~~
 113.8 ~~agreement as a condition of entering into or renewing a charter contract as defined in~~
 113.9 ~~section 124E.10, subdivision 1.~~

113.10 ~~(d) Nothing in this section or in the collaboration agreement may impact in any way~~
 113.11 ~~the authority or autonomy of the charter school.~~

113.12 ~~(e) Nothing in this section or in the collaboration agreement shall cause the state to~~
 113.13 ~~pay twice for the same student, service, or facility or otherwise impact state funding, or~~
 113.14 ~~the flow thereof, to the school district or the charter school.~~

113.15 ~~(f) (b) The collaboration agreement may include, but need is not be limited~~
 113.16 ~~to, collaboration regarding facilities, transportation, training, student achievement,~~
 113.17 ~~assessments, mutual performance standards, and other areas of mutual agreement.~~

113.18 ~~(g) (c) For purposes of student assessment and reporting to the state under section~~
 113.19 ~~120B.36, the school district may include the academic performance of the students of a~~
 113.20 ~~collaborative charter school site operating within the geographic boundaries of the school~~
 113.21 ~~district, for purposes of student assessment and reporting to the state under paragraph (a).~~

113.22 ~~(h) Districts, authorizers, or charter schools entering into a collaborative agreement~~
 113.23 ~~are equally and collectively subject to the same state and federal accountability measures~~
 113.24 ~~for student achievement, school performance outcomes, and school improvement~~
 113.25 ~~strategies. The collaborative agreement and all accountability measures must be posted~~
 113.26 ~~on the district, charter school, and authorizer Web sites.~~

113.27 ~~(d) Nothing in this section or in the collaboration agreement may impact in any way~~
 113.28 ~~the authority or autonomy of the charter school.~~

113.29 ~~(e) Nothing in this section or in the collaboration agreement shall cause the state to~~
 113.30 ~~pay twice for the same student, service, or facility or otherwise impact state funding or~~
 113.31 ~~payment to the school district or the charter school.~~

113.32 Sec. 8. Minnesota Statutes 2015 Supplement, section 124E.10, is amended to read:

113.33 **124E.10 CHARTER CONTRACT.**

113.34 Subdivision 1. **Contents.** ~~(a) The authorization for~~ To authorize a charter school, the
 113.35 authorizer and the charter school board of directors must be in the form of sign a written

114.1 ~~contract signed by the authorizer and the board of directors of the charter school. The~~
 114.2 ~~contract must be completed~~ within 45 business days of the commissioner's approval of
 114.3 the authorizer's affidavit. The authorizer shall submit ~~to the commissioner~~ a copy of the
 114.4 ~~signed~~ charter contract to the commissioner within ten business days of its execution after
 114.5 the contract is signed by the contracting parties. The contract ~~for a charter school~~ must
 114.6 ~~be in writing and contain~~ include at least the following:

114.7 (1) a declaration that the charter school will carry out the primary purpose in section
 114.8 124E.01, subdivision 1, and indicate how the school will report its implementation of the
 114.9 primary purpose to its authorizer;

114.10 (2) a declaration of the additional purpose or purposes in section 124E.01,
 114.11 subdivision 1, that the school intends to carry out and indicate how the school will report
 114.12 its implementation of those purposes to its authorizer;

114.13 (3) a description of the school program and the specific academic and nonacademic
 114.14 outcomes that pupils must achieve;

114.15 (4) a statement of admission policies and procedures;

114.16 (5) a school governance, management, and administration plan ~~for the school~~;

114.17 (6) signed agreements from charter school board members to comply with all the
 114.18 federal and state laws governing organizational, programmatic, and financial requirements
 114.19 applicable to charter schools;

114.20 (7) the criteria, processes, and procedures ~~that~~ the authorizer will use to monitor and
 114.21 evaluate the fiscal, operational, and academic performance, consistent with subdivision
 114.22 3, paragraphs (a) and (b);

114.23 (8) for contract renewal, the formal written performance evaluation ~~of the school~~
 114.24 that is a prerequisite for reviewing a charter contract under subdivision 3;

114.25 (9) types and amounts of insurance liability coverage ~~to be obtained by~~ the charter
 114.26 school must obtain, consistent with section 124E.03, subdivision 2, paragraph (d);

114.27 (10) consistent with section 124E.09, paragraph (d), a provision to indemnify and
 114.28 hold harmless ~~the authorizer and its officers, agents, and employees~~ from any suit, claim,
 114.29 or liability arising from any charter school operation ~~of the charter school~~;

114.30 (i) the authorizer and its officers, agents, and employees; and

114.31 (ii) notwithstanding section 3.736, the commissioner and department officers,
 114.32 agents, and employees ~~notwithstanding section 3.736~~;

114.33 (11) the term of the ~~initial~~ contract, which, for an initial contract, may be up to five
 114.34 years plus an additional preoperational planning year, ~~and up to five years~~ or for a renewed
 114.35 contract or a contract with a new authorizer after a transfer of authorizers, may be up to
 114.36 five years, if warranted by the school's academic, financial, and operational performance;

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

115.6 (13) the specific conditions for contract renewal that identify the performance of
 115.7 all students under the primary purpose of section 124E.01, subdivision 1, as the most
 115.8 important factor in determining whether to renew the contract renewal; and

115.9 (14) the additional purposes under section 124E.01, subdivision 1, and related
 115.10 performance obligations under clause (7) contained in the charter contract as additional
 115.11 factors in determining whether to renew the contract renewal; and.

115.12 ~~(15)~~ (b) In addition to the requirements of paragraph (a), the charter contract must
 115.13 contain the plan for an orderly closing of the school under chapter 317A, that establishes
 115.14 the responsibilities of the school board of directors and the authorizer, whether the closure
 115.15 is a termination for cause, a voluntary termination, or a nonrenewal of the contract, that
 115.16 includes establishing the responsibilities of the school board of directors and the authorizer
 115.17 and notifying. The plan must establish who is responsible for:

115.18 (1) notifying the commissioner, authorizer, school district in which the charter
 115.19 school is located, and parents of enrolled students about the closure;

115.20 (2) providing parents of enrolled students information and assistance sufficient to
 115.21 enable the student to re-enroll in another school;

115.22 (3) transfer of transferring student records under section 124E.03, subdivision 5,
 115.23 paragraph (b), to the student's resident school district; and

115.24 (4) procedures for closing financial operations.

115.25 ~~(b)~~ (c) A charter school must design its programs to at least meet the outcomes
 115.26 adopted by the commissioner for public school students. In the absence of the
 115.27 commissioner's requirements governing state standards and benchmarks, the school must
 115.28 meet the outcomes contained in the contract with the authorizer. The achievement levels
 115.29 of the outcomes contained in the contract may exceed the achievement levels of any
 115.30 outcomes adopted by the commissioner for public school students.

115.31 Subd. 2. **Limitations** Limits on charter contract school agreements. (a) A
 115.32 school must disclose to the commissioner any potential contract, lease, or purchase of
 115.33 service from an authorizer must be disclosed to the commissioner. The contract, lease, or
 115.34 purchase must be accepted through an open bidding process; and be a separate ~~contract~~
 115.35 from the charter contract. The school must document the open bidding process. An
 115.36 authorizer must not enter into a contract to provide management and financial services for

116.1 ~~to a school that it authorizes, unless the school documents that it received~~ receiving at
 116.2 least two competitive bids.

116.3 (b) ~~The~~ An authorizer must not condition granting or ~~renewal of~~ renewing a charter
 116.4 ~~school by an authorizer must not be contingent on:~~

116.5 (1) the charter school being required to contract, lease, or purchase services from
 116.6 the authorizer; or

116.7 (e) ~~The granting or renewal of a charter by an authorizer must not be conditioned~~
 116.8 ~~upon~~ (2) the bargaining unit status of the school employees ~~of the school~~.

116.9 Subd. 3. **Review and comment.** (a) The authorizer shall provide a formal written
 116.10 evaluation of the school's performance before the authorizer renews the charter contract.
 116.11 The ~~department~~ commissioner must review and comment on the authorizer's evaluation
 116.12 process at the time the authorizer submits its application for approval and each time the
 116.13 authorizer undergoes its five-year review under section 124E.05, subdivision 5.

116.14 (b) An authorizer shall monitor and evaluate the academic, financial, operational,
 116.15 and student performance of the school, and may ~~for this purpose annually~~ assess a charter
 116.16 school a fee according to paragraph (c). The agreed-upon fee structure must be stated in
 116.17 the charter school contract.

116.18 (c) The fee that an authorizer may annually assess is the greater of:

116.19 (1) the basic formula allowance for that year; or

116.20 (2) the lesser of:

116.21 (i) the maximum fee factor times the basic formula allowance for that year; or

116.22 (ii) the fee factor times the basic formula allowance for that year times the charter
 116.23 school's adjusted pupil units for that year. The fee factor equals .015. The maximum
 116.24 fee factor equals 4.0.

116.25 (d) An authorizer may not assess a fee for any required services other than as
 116.26 provided in this subdivision.

116.27 (e) For the preoperational planning period, after a school is chartered, the authorizer
 116.28 may assess a charter school a fee equal to the basic formula allowance.

116.29 Subd. 4. **Causes for nonrenewal or termination of charter school contract.** (a)
 116.30 The duration of the contract with an authorizer must be for the term contained in the
 116.31 contract according to subdivision 1, paragraph (a). The authorizer may or may not renew a
 116.32 contract at the end of the term for any ground listed in paragraph (b). An authorizer may
 116.33 unilaterally terminate a contract during the term of the contract for any ground listed in
 116.34 paragraph (b). At least 60 business days before not renewing or terminating a contract,
 116.35 the authorizer shall notify the board of directors of the charter school of the proposed
 116.36 action in writing. The notice shall state the grounds for the proposed action in reasonable

117.1 detail and ~~that~~ describe the informal hearing process, consistent with this paragraph. The
 117.2 charter school's board of directors may request in writing an informal hearing before the
 117.3 authorizer within 15 business days ~~of~~ after receiving notice of nonrenewal or termination
 117.4 of the contract. Failure by the board of directors to make a written request for an informal
 117.5 hearing within the 15-business-day period shall be treated as acquiescence to the proposed
 117.6 action. Upon receiving a timely written request for a hearing, the authorizer shall give ten
 117.7 business days' notice to the charter school's board of directors of the hearing date. The
 117.8 authorizer shall conduct an informal hearing before taking final action. The authorizer
 117.9 shall take final action to renew or not renew a contract no later than 20 business days
 117.10 before the proposed date for terminating the contract or the end date of the contract.

117.11 (b) An authorizer may terminate or not renew a contract ~~may be terminated or not~~
 117.12 ~~renewed~~ upon any of the following grounds:

- 117.13 (1) failure to demonstrate satisfactory academic achievement for all students,
 117.14 including the requirements for pupil performance contained in the contract;
 117.15 (2) failure to meet generally accepted standards of fiscal management;
 117.16 (3) violations of law; or
 117.17 (4) other good cause shown.

117.18 If the authorizer terminates or does not renew a contract ~~is terminated or not~~
 117.19 ~~renewed~~ under this paragraph, the school must be dissolved according to the applicable
 117.20 provisions of chapter 317A.

117.21 (c) The commissioner, after providing reasonable notice to the board of directors of
 117.22 a charter school and the existing authorizer, and after providing an opportunity for a public
 117.23 hearing, may terminate the existing contract between the authorizer and the charter school
 117.24 board if the charter school has a history of:

- 117.25 (1) failure to meet pupil performance requirements₂ consistent with state law;
 117.26 (2) financial mismanagement or failure to meet generally accepted standards of
 117.27 fiscal management; or
 117.28 (3) repeated or major violations of the law.

117.29 Subd. 5. **Mutual nonrenewal.** If the authorizer and the charter school board of
 117.30 directors mutually agree not to renew the contract, a change in authorizers is allowed. The
 117.31 authorizer and the school board must jointly submit a written and signed letter of their
 117.32 intent to the commissioner to mutually not renew the contract. The authorizer that is a party
 117.33 to the existing contract must inform the proposed authorizer about the fiscal, operational,
 117.34 and student performance status of the school, as well as any outstanding contractual
 117.35 obligations ~~that exist~~. The charter contract between the proposed authorizer and the school
 117.36 must identify and provide a plan to address any outstanding obligations from the previous

118.1 contract. The proposed authorizer must submit the proposed contract ~~must be submitted~~ at
 118.2 least 105 business days before the end of the existing charter contract. The commissioner
 118.3 ~~shall have~~ has 30 business days to review and make a determination on the change in
 118.4 authorizer. The proposed authorizer and the school ~~shall~~ have 15 business days to respond
 118.5 to the determination and address any issues identified by the commissioner. ~~A final~~
 118.6 ~~determination by~~ The commissioner ~~shall be made~~ must make a final determination no later
 118.7 than 45 business days before the end of the current charter contract. If ~~no~~ the commissioner
 118.8 does not approve a change in authorizer is approved, the school and the current authorizer
 118.9 may withdraw their letter of nonrenewal and enter into a new contract. If the ~~transfer of~~
 118.10 ~~authorizers is not approved~~ commissioner does not approve a change in authorizer and the
 118.11 current authorizer and the school do not withdraw their letter and enter into a new contract,
 118.12 the school must be dissolved according to applicable law and the terms of the contract.

118.13 Subd. 6. **Pupil enrollment upon nonrenewal or termination of charter school**
 118.14 **contract.** (a) If a contract is not renewed or is terminated according to subdivision 4 or
 118.15 5, a pupil who attended the school, siblings of the pupil, or another pupil who resides
 118.16 ~~in the same place as~~ with the pupil may enroll in the resident district or may submit
 118.17 an application to a nonresident district according to section 124D.03 governing open
 118.18 enrollment at any time. Applications and notices required by section 124D.03 must be
 118.19 processed and provided in a prompt manner. The application and notice deadlines in
 118.20 section 124D.03 do not apply under these circumstances.

118.21 (b) Within ten business days of closing the charter school, the closed ~~charter~~ school
 118.22 must transfer the student's educational records ~~within ten business days of closure~~ to the
 118.23 student's school district of residence where the records must be retained or transferred
 118.24 under section 120A.22, subdivision 7.

118.25 Sec. 9. Minnesota Statutes 2015 Supplement, section 124E.12, is amended to read:

118.26 **124E.12 EMPLOYMENT.**

118.27 Subdivision 1. **Teachers.** A charter school must employ or contract with necessary
 118.28 teachers, as defined by section 122A.15, subdivision 1, who hold valid licenses to perform
 118.29 the particular service for which they are employed in the school. The commissioner may
 118.30 reduce the charter school's state aid ~~may be reduced~~ under section 127A.43 if the school
 118.31 employs a teacher who is not appropriately licensed or approved by the board of teaching.
 118.32 The school may employ necessary employees who are not required to hold teaching
 118.33 licenses to perform duties other than teaching and may contract for other services. The
 118.34 school may discharge teachers and nonlicensed employees. The charter school board is
 118.35 subject to section 181.932 governing whistle-blowers. When offering employment to a

119.1 prospective employee, a charter school must give that employee a written description of
 119.2 the terms and conditions of employment and the school's personnel policies.

119.3 Subd. 2. **Administrators.** (a) A person, without holding a valid administrator's
 119.4 license, may perform administrative, supervisory, or instructional leadership duties.
 119.5 The board of directors shall establish qualifications for all persons that who hold
 119.6 administrative, supervisory, or instructional leadership roles. The qualifications shall
 119.7 ~~include~~ cover at least ~~the following~~ areas: instruction and assessment; human resource
 119.8 and personnel management; financial management; legal and compliance management;
 119.9 effective communication; and board, authorizer, and community relationships. The board
 119.10 of directors shall use those qualifications as the basis for job descriptions, hiring, and
 119.11 performance evaluations of those who hold administrative, supervisory, or instructional
 119.12 leadership roles.

119.13 (b) The board of directors and an individual who does not hold a valid administrative
 119.14 license and who serves in an administrative, supervisory, or instructional leadership
 119.15 position shall develop a professional development plan. ~~Documentation of the~~
 119.16 ~~implementation of~~ The school's annual report must include public personnel information
 119.17 documenting the professional development plan of these persons shall be included in
 119.18 ~~the school's annual report.~~

119.19 Subd. 3. **Collective bargaining.** Employees of the board of directors of a charter
 119.20 school may, if otherwise eligible, organize under chapter 179A and comply with its
 119.21 provisions. The board of directors of a charter school is a public employer, for the
 119.22 purposes of chapter 179A, ~~upon formation of~~ when forming one or more bargaining units
 119.23 at the school. Bargaining units at the school must be separate from any other units within
 119.24 an authorizing district, except that bargaining units may remain part of the appropriate
 119.25 unit within an authorizing district; if the employees of the school, the board of directors of
 119.26 the school, the exclusive representative of the appropriate unit in the authorizing district,
 119.27 and the board of the authorizing district agree to include the employees in the appropriate
 119.28 unit of the authorizing district. The board of directors of a charter school with employees
 119.29 organized under this subdivision must comply with sections 471.6161 governing group
 119.30 insurance and 471.895 governing gifts.

119.31 Subd. 4. **Teacher and other employee retirement.** (a) Teachers in a charter school
 119.32 must be public school teachers for the purposes of chapters 354 and 354A governing the
 119.33 Teacher Retirement Act.

119.34 (b) Except for teachers under paragraph (a), employees in a charter school must
 119.35 be public employees for the purposes of chapter 353 governing the Public Employees
 119.36 Retirement Act.

120.1 Subd. 5. **Group health insurance.** (a) A charter school board with at least 25
 120.2 employees or a teacher cooperative of licensed teachers providing instruction under
 120.3 a contract between a school and a cooperative that provides group health insurance
 120.4 coverage shall:

120.5 (1) request proposals for group health insurance coverage from a minimum of three
 120.6 sources at least every two years; and

120.7 (2) notify employees covered by the group health insurance coverage before the
 120.8 effective date of the changes in the group coverage policy contract.

120.9 (b) A charter school board or a cooperative of teachers that provides group health
 120.10 insurance coverage must establish and publish on its Web site the policy for ~~the purchase~~
 120.11 ~~of purchasing~~ group health insurance coverage. A charter school board policy must
 120.12 include a sealed proposal process, which requires all proposals to be opened at the same
 120.13 time. Upon ~~the openings of~~ opening the proposals ~~in accordance with~~ according to the
 120.14 school or cooperative policy, the proposals become public data under chapter 13.

120.15 Nothing in this subdivision supersedes the right of an exclusive representative to negotiate
 120.16 ~~over the~~ the terms and conditions of employment.

120.17 Subd. 6. **Leave to teach in a charter school.** If a teacher employed by a district
 120.18 makes a written request for an extended leave of absence to teach at a charter school, the
 120.19 district must grant the leave. The district must grant a leave not to exceed a total of five
 120.20 years. Any request to extend the leave shall be granted only at the discretion of the school
 120.21 board. The district may require ~~that~~ a teacher to make the request for a leave or extension
 120.22 of leave ~~be made~~ before February 1 in the school year preceding the school year in which
 120.23 the teacher intends to leave, or February 1 of the calendar year in which the teacher's leave
 120.24 is scheduled to terminate. Except as otherwise provided in this subdivision and ~~except~~
 120.25 ~~for~~ section 122A.46, subdivision 7, governing employment in another district, the leave
 120.26 is governed by section 122A.46, including, but not limited to, reinstatement, notice of
 120.27 intention to return, seniority, salary, and insurance.

120.28 During a leave, the teacher may continue to aggregate benefits and credits in the
 120.29 Teachers' Retirement Association account under chapters 354 and 354A, consistent with
 120.30 subdivision 4.

120.31 Sec. 10. Minnesota Statutes 2015 Supplement, section 124E.13, is amended to read:

120.32 **124E.13 FACILITIES.**

120.33 Subdivision 1. **Leased space.** A charter school may lease space from: an
 120.34 independent or special school board; other public organization; private, nonprofit,
 120.35 nonsectarian organization; private property owner; or a sectarian organization if the

121.1 leased space is constructed as a school facility. The ~~department~~ commissioner must
 121.2 review and approve or disapprove leases in a timely manner ~~for purposes of determining~~
 121.3 to determine eligibility for lease aid under section 124E.22.

121.4 Subd. 2. **Related party lease costs.** (a) A charter school is ~~prohibited from entering~~
 121.5 must not enter into a lease of real property with a related party unless the lessor is a
 121.6 nonprofit corporation under chapter 317A or a cooperative under chapter 308A, and the
 121.7 lease cost is reasonable under section 124E.22, paragraph (a), clause (1).

121.8 (b) A lease of real property to be used for a charter school, ~~not excluded in related~~
 121.9 party permitted to enter into a lease under paragraph (a); must contain include the
 121.10 following statement in the lease: "This lease is subject to Minnesota Statutes, section
 121.11 124E.13, subdivision 2."

121.12 (c) If a charter school ~~enters into as lessee a lease with~~ leases space from a related
 121.13 party and the charter school subsequently closes, the commissioner has the right to recover
 121.14 from the ~~lessor~~ related party any lease payments in excess of those that are reasonable
 121.15 under section 124E.22, paragraph (a), clause (1).

121.16 Subd. 3. **Affiliated nonprofit building corporation.** (a) An affiliated nonprofit
 121.17 building corporation may purchase, expand, or renovate an existing facility to serve as a
 121.18 school or may construct a new school facility. A charter school may organize an affiliated
 121.19 nonprofit building corporation ~~(1) to purchase, expand, or renovate an existing facility to~~
 121.20 ~~serve as a school or (2) to construct a new school facility~~ if the charter school:

121.21 (i) ~~(1) has been in operation~~ operated for at least six consecutive years;

121.22 (ii) ~~(2)~~ as of June 30₂ has a net positive unreserved general fund balance in the
 121.23 preceding three fiscal years;

121.24 (iii) ~~(3)~~ has long-range strategic and financial plans that include enrollment
 121.25 projections for at least five years;

121.26 (iv) ~~(4)~~ completes a feasibility study of facility options that outlines the benefits
 121.27 and costs of ~~the options~~ each option; and

121.28 (v) ~~(5)~~ has a plan for ~~purchase, renovation, or new construction which~~ that describes
 121.29 project parameters and budget.

121.30 (b) An affiliated nonprofit building corporation under this subdivision must:

121.31 (1) be incorporated under section 317A;

121.32 (2) comply with applicable Internal Revenue Service regulations, including
 121.33 regulations for "supporting organizations" as defined by the Internal Revenue Service;

121.34 (3) post on the school Web site the name, mailing address, bylaws, minutes of board
 121.35 meetings, and the names of the current board of directors of the affiliated nonprofit
 121.36 building corporation;

122.1 (4) submit to the commissioner a copy of its annual audit by December 31 of each
122.2 year; and

122.3 (5) comply with government data practices law under chapter 13.

122.4 (c) An affiliated nonprofit building corporation must not serve as the leasing agent
122.5 for property or facilities it does not own. A charter school that leases a facility from an
122.6 affiliated nonprofit building corporation that does not own the leased facility is ineligible
122.7 to receive charter school lease aid. The state is immune from liability resulting from a
122.8 contract between a charter school and an affiliated nonprofit building corporation.

122.9 (d) ~~Once an affiliated nonprofit building corporation is incorporated under this~~
122.10 ~~subdivision,~~ The board of directors of the charter school must ensure the affiliated
122.11 nonprofit building corporation complies with all applicable legal requirements. The charter
122.12 school's authorizer of the school must oversee the efforts of the school's board of directors
122.13 of the charter school to ensure the affiliated nonprofit building corporation complies
122.14 with all legal requirements governing the affiliated nonprofit building corporation legal
122.15 compliance of the affiliated building corporation. A school's board of directors that
122.16 fails to ensure the affiliated nonprofit building corporation's compliance violates its
122.17 responsibilities and an authorizer must ~~factor the~~ consider that failure ~~into the authorizer's~~
122.18 ~~evaluation of~~ when evaluating the charter school.

122.19 Subd. 4. **Positive review and comment.** If the amount of a purchase agreement or
122.20 construction contract exceeds the review and comment threshold, a charter school or its
122.21 affiliated nonprofit building corporation must receive a positive review and comment from
122.22 the commissioner before initiating any purchase agreement or construction contract ~~that~~
122.23 ~~requires an expenditure in excess of the threshold specified in section 123B.71, subdivision~~
122.24 ~~8, for school districts that do not have a capital loan outstanding.~~ Without a positive
122.25 review and comment from the commissioner, a purchase agreement or construction
122.26 contract ~~finalized before a positive review and comment under this subdivision~~ is null and
122.27 void. For purposes of this subdivision, "review and comment threshold" means the dollar
122.28 amount specified in section 123B.71, subdivision 8, applicable to a school entity that is
122.29 not a recipient of a maximum effort capital loan.

122.30 Sec. 11. Minnesota Statutes 2015 Supplement, section 124E.15, is amended to read:

122.31 **124E.15 TRANSPORTATION.**

122.32 (a) A charter school must comply with all pupil transportation requirements in
122.33 section 123B.88, subdivision 1. A charter school must not require parents to surrender
122.34 their rights to pupil transportation under section 123B.88, subdivision 2.

123.1 ~~(b) A charter school after its first fiscal year of operation by March 1 of each fiscal~~
 123.2 ~~year and A charter school by July 1 of its first fiscal year of operation must notify the~~
 123.3 ~~district in which the school is located and the Department of Education commissioner by~~
 123.4 ~~July 1 of its first fiscal year of operation if it will provide its own transportation or use the~~
 123.5 ~~transportation services of the district in which it is located for the fiscal year. For each~~
 123.6 ~~subsequent year of operation, a charter school must give that district and the commissioner~~
 123.7 ~~notice by March 1 for the following fiscal year.~~

123.8 (c) If a charter school elects to provide transportation for pupils, the charter school
 123.9 must provide the transportation ~~must be provided by the charter school~~ within the district
 123.10 in which the charter school is located. The state must pay transportation aid to the charter
 123.11 school according to section 124E.23.

123.12 (d) For pupils who reside outside the district in which the charter school is located,
 123.13 the charter school is not required to provide or pay for transportation between the pupil's
 123.14 residence and the border of the district in which the charter school is located. The charter
 123.15 school may reimburse a parent ~~may be reimbursed by the charter school~~ for costs of
 123.16 transportation from the pupil's residence to the border of the district in which the charter
 123.17 school is located if the pupil is from a family whose income is at or below the poverty
 123.18 level, as determined by the federal government. The reimbursement may not exceed
 123.19 the pupil's actual cost of transportation or 15 cents per mile traveled, whichever is less.
 123.20 Reimbursement may not be paid for more than 250 miles per week.

123.21 ~~At the time a pupil enrolls in a charter school, the charter school must provide the~~
 123.22 ~~parent or guardian with information regarding the transportation.~~

123.23 ~~(d)~~ (e) If a charter school does not elect to provide transportation, the district in which
 123.24 the school is located must provide transportation for pupils enrolled at the school ~~must~~
 123.25 ~~be provided by the district in which the school is located~~, according to sections 123B.88,
 123.26 subdivision 6, governing transporting nonresident pupils, and 124D.03, subdivision 8, for
 123.27 a pupil residing in the same district in which the charter school is located. The district in
 123.28 which the charter school is located may provide transportation ~~may be provided by the~~
 123.29 ~~district in which the school is located~~, according to sections 123B.88, subdivision 6, and
 123.30 124D.03, subdivision 8, governing open enrollment transportation, for a pupil residing
 123.31 in a different district. If the district provides the transportation, the scheduling of routes,
 123.32 manner and method of transportation, control and discipline of the pupils, and any other
 123.33 matter relating to the transportation of pupils under this paragraph ~~shall be~~ is within the
 123.34 sole discretion, control, and management of the district.

123.35 (f) The charter school must provide the parent or guardian with information about
 123.36 transportation when a pupil enrolls.

124.1 Sec. 12. Minnesota Statutes 2015 Supplement, section 124E.16, is amended to read:

124.2 **124E.16 REPORTS.**

124.3 Subdivision 1. **Audit report.** (a) A charter school is subject to the same financial
 124.4 audits, audit procedures, and audit requirements as a district, except as required under
 124.5 this subdivision. Audits must be conducted in compliance with generally accepted
 124.6 governmental auditing standards, the federal Single Audit Act, if applicable, and section
 124.7 6.65 governing auditing procedures. A charter school is subject to and must comply
 124.8 with sections 15.054; 118A.01; 118A.02; 118A.03; 118A.04; 118A.05; 118A.06;
 124.9 governing government property and financial investments; and sections 471.38; 471.391;
 124.10 471.392; and 471.425 governing municipal contracting. The audit must comply with the
 124.11 requirements of sections 123B.75 to 123B.83 governing school district finance, except
 124.12 ~~to the extent deviations are necessary because of the program at the school when the~~
 124.13 commissioner and authorizer approve a deviation made necessary because of school
 124.14 program finances. ~~Deviations must be approved by the commissioner and authorizer.~~ The
 124.15 ~~Department of Education~~ commissioner, state auditor, legislative auditor, or authorizer
 124.16 may conduct financial, program, or compliance audits. A charter school ~~determined to be~~
 124.17 in statutory operating debt under sections 123B.81 to 123B.83 must submit a plan under
 124.18 section 123B.81, subdivision 4.

124.19 (b) The charter school must submit an audit report to the commissioner and its
 124.20 authorizer annually by December 31 ~~each year~~.

124.21 (c) The charter school, with the assistance of the auditor conducting the audit,
 124.22 must include with the report, as supplemental information; (1) a copy of management
 124.23 agreements with a charter management organization or an educational management
 124.24 organization and (2) service agreements or contracts over the lesser of \$100,000 or ten
 124.25 percent of the school's most recent annual audited expenditures. The agreements must
 124.26 detail the terms of the agreement, including the services provided and the annual costs for
 124.27 those services. If the entity that provides the professional services to the charter school is
 124.28 exempt from taxation under section 501 of the Internal Revenue Code of 1986, that entity
 124.29 must file with the commissioner by February 15 a copy of the annual return required under
 124.30 section 6033 of the Internal Revenue Code of 1986.

124.31 (d) A charter school independent audit report shall include audited financial data
 124.32 of an affiliated building corporation under section 124E.13, subdivision 3, or other
 124.33 component unit.

124.34 (e) If the audit report finds that a material weakness exists in the financial reporting
 124.35 systems of a charter school, the charter school must submit a written report to the
 124.36 commissioner explaining how the charter school will resolve that material weakness ~~will~~

125.1 ~~be resolved.~~ An auditor, as a condition of providing financial services to a charter school,
 125.2 must agree to make available information about a charter school's financial audit to the
 125.3 commissioner and authorizer upon request.

125.4 Subd. 2. **Annual public reports.** (a) A charter school must publish an annual report
 125.5 approved by the board of directors. The annual report must at least include information
 125.6 on school enrollment, student attrition, governance and management, staffing, finances,
 125.7 academic performance, innovative practices and implementation, and future plans. A
 125.8 charter school may combine this report with the reporting required under section 120B.11
 125.9 governing the world's best workforce. A charter school must post the annual report on
 125.10 the school's official Web site. A charter school also must ~~also~~ distribute the annual report
 125.11 by publication, mail, or electronic means to its authorizer, school employees, and parents
 125.12 and legal guardians of students enrolled in the charter school. The reports are public
 125.13 data under chapter 13.

125.14 (b) The commissioner shall establish specifications for an authorizer's annual public
 125.15 report that is part of the system to evaluate authorizer performance under section 124E.05,
 125.16 subdivision 5. The report shall at least include key indicators of school academic,
 125.17 operational, and financial performance.

125.18 Sec. 13. Minnesota Statutes 2015 Supplement, section 124E.17, is amended to read:

125.19 **124E.17 DISSEMINATION OF INFORMATION.**

125.20 Subdivision 1. **Charter school information.** (a) ~~Authorizers and the department~~
 125.21 ~~must disseminate information to the public on how to form and operate a charter school.~~
 125.22 Charter schools must disseminate information about how to use the charter school
 125.23 ~~offerings of a charter school~~ targeted groups, among others. Targeted groups include
 125.24 low-income families and communities, students of color, and students who are at risk
 125.25 of academic failure.

125.26 (b) Authorizers and the commissioner must disseminate information to the public
 125.27 on how to form and operate a charter school. Authorizers, operators, and the ~~department~~
 125.28 commissioner also may disseminate information to interested stakeholders about the
 125.29 successful best practices in teaching and learning demonstrated by charter schools.

125.30 Subd. 2. **Financial information.** Upon request of an individual, the charter school
 125.31 must ~~also~~ make available in a timely fashion financial statements showing all operations
 125.32 and transactions affecting the school's income, surplus, and deficit during the ~~school's~~
 125.33 last annual accounting period; and a balance sheet summarizing assets and liabilities
 125.34 on the closing date of the accounting period. A charter school also must include that

126.1 same information about its authorizer in other school materials that it makes available
126.2 to the public.

126.3 Sec. 14. Minnesota Statutes 2015 Supplement, section 124E.22, is amended to read:

126.4 **124E.22 BUILDING LEASE AID.**

126.5 (a) When a charter school finds it economically advantageous to rent or lease a
126.6 building or land for any instructional ~~purposes~~ purpose and it determines that the total
126.7 operating capital revenue under section 126C.10, subdivision 13, is insufficient for this
126.8 purpose, it may apply to the commissioner for building lease aid ~~for this purpose~~. The
126.9 commissioner must review and either approve or deny a lease aid application using the
126.10 following criteria:

126.11 (1) the reasonableness of the price based on current market values;

126.12 (2) the extent to which the lease conforms to applicable state laws and rules; and

126.13 (3) the appropriateness of the proposed lease in the context of the space needs and
126.14 financial circumstances of the charter school. The commissioner must approve aid only
126.15 for a facility lease that has (i) a sum certain annual cost and (ii) a closure clause to relieve
126.16 the charter school of its lease obligations at the time the charter contract is terminated or
126.17 not renewed~~;~~. The closure clause under item (ii) must not be constructed or construed to
126.18 relieve the charter school of its lease obligations in effect before the charter contract is
126.19 terminated or not renewed.

126.20 (b) A charter school must not use the building lease aid it receives for custodial,
126.21 maintenance service, utility, or other operating costs.

126.22 ~~(b)~~ (c) The amount of annual building lease aid for a charter school shall not exceed
126.23 the lesser of (1) 90 percent of the approved cost or (2) the product of the pupil units served
126.24 for the current school year times \$1,314.

126.25 Sec. 15. Minnesota Statutes 2015 Supplement, section 124E.24, is amended to read:

126.26 **124E.24 OTHER AID, GRANTS, AND REVENUE.**

126.27 (a) A charter school is eligible to receive other aids, grants, and revenue according to
126.28 chapters 120A to 129C, as though it were a district.

126.29 (b) Notwithstanding paragraph (a), a charter school may not receive aid, a grant, or
126.30 revenue if a levy is required to obtain the money, or if the aid, grant, or revenue replaces levy
126.31 revenue that is not general education revenue, except as otherwise provided in this chapter.

126.32 (c) Federal aid received by the state must be paid to the school, if it qualifies for
126.33 the aid₂ as though it were a school district.

127.1 (d) A charter school may receive money from any source for capital facilities needs.
 127.2 In the year-end report to the commissioner of education, the charter school shall report the
 127.3 total amount of funds it received from grants and other outside sources.

127.4 Sec. 16. Minnesota Statutes 2015 Supplement, section 124E.25, is amended to read:

127.5 **124E.25 PAYMENT OF AIDS TO CHARTER SCHOOLS.**

127.6 Subdivision 1. **Payments.** ~~(a)~~ Notwithstanding section 127A.45, subdivision 3, if the
 127.7 current year aid payment percentage under section 127A.45, subdivision 2, paragraph (d), is
 127.8 90 or greater, aid payments for the current fiscal year to a charter school shall be of an equal
 127.9 amount on each of the 24 payment dates. Notwithstanding section 127A.45, subdivision
 127.10 3, if the current year aid payment percentage under section 127A.45, subdivision 2,
 127.11 paragraph (d), is less than 90, aid payments for the current fiscal year to a charter school
 127.12 shall be of an equal amount on each of the 16 payment dates in July through February.

127.13 Subd. 1a. **School closures; payments.** ~~(b)~~ (a) Notwithstanding ~~paragraph (a)~~
 127.14 subdivision 1 and section 127A.45, for a charter school ceasing operation on or ~~prior~~
 127.15 ~~to~~ before June 30 of a school year, for the payment periods occurring after the school
 127.16 ceases serving students, the commissioner shall withhold the estimated state aid owed
 127.17 the school. The charter school board of directors and authorizer must submit to the
 127.18 commissioner a closure plan under chapter 308A or 317A, and financial information about
 127.19 the school's liabilities and assets. After receiving the closure plan, financial information,
 127.20 an audit of pupil counts, ~~documentation of~~ and documented lease expenditures; from
 127.21 the charter school and monitoring of special education expenditures, the commissioner
 127.22 may release cash withheld and may continue regular payments up to the current year
 127.23 payment percentages if further amounts are owed. If, based on audits and monitoring,
 127.24 the school received state aid in excess of the amount owed, the commissioner shall retain
 127.25 aid withheld sufficient to eliminate the aid overpayment.

127.26 (b) For a charter school ceasing operations ~~prior to,~~ before or at the end of; a
 127.27 school year, notwithstanding section 127A.45, subdivision 3, the commissioner may
 127.28 make preliminary final payments ~~may be made~~ after receiving the school submits the
 127.29 closure plan, an audit of pupil counts, monitoring of special education expenditures,
 127.30 ~~documentation of~~ documented lease expenditures, and ~~school submission of~~ Uniform
 127.31 Financial Accounting and Reporting Standards (UFARS) financial data and the
 127.32 commissioner monitors special education expenditures for the final year of operation. The
 127.33 commissioner may make the final payment ~~may be made upon receipt of~~ after receiving
 127.34 audited financial statements under section 123B.77, subdivision 3.

128.1 (c) Notwithstanding sections 317A.701 to 317A.791, ~~upon closure of~~ after closing
 128.2 a charter school and ~~satisfaction of~~ satisfying creditors, remaining cash and investment
 128.3 balances ~~remaining~~ shall be returned by the commissioner to the state general fund.

128.4 Subd. 2. **Requirements.** (a) ~~In order~~ To receive state aid payments under this
 128.5 section, a charter school in its first three years of operation must submit to the commissioner
 128.6 a school calendar in the form and manner requested by the ~~department~~ commissioner and
 128.7 a quarterly report ~~to the Department of Education~~. The quarterly report must list each
 128.8 student by grade, show the student's start and end dates, if any applicable, ~~with the charter~~
 128.9 ~~school~~, and, for any student participating in a learning year program, the report must list the
 128.10 hours and times of learning year activities. The charter school must submit the report ~~must~~
 128.11 ~~be submitted to the commissioner~~ not more than two weeks after the end of the calendar
 128.12 quarter ~~to the department~~. The ~~department~~ commissioner must develop a Web-based
 128.13 reporting form for charter schools to use when submitting quarterly enrollment reports.

128.14 (b) To receive state aid payments under this section, a charter school in its fourth and
 128.15 subsequent year of operation must submit a school calendar and enrollment information
 128.16 to the ~~department~~ commissioner in the form and manner requested by the ~~department~~
 128.17 commissioner.

128.18 ~~(b)~~ (c) A charter school must have a valid, signed contract under section 124E.10,
 128.19 subdivision 1, on file ~~at~~ with the ~~Department of Education~~ commissioner at least 15 days
 128.20 ~~prior to~~ before the date of first payment of state aid for the fiscal year.

128.21 ~~(e)~~ (d) The commissioner shall compute state aid entitlements ~~shall be computed~~
 128.22 for a charter school only for the portion of a school year for which it has a valid, signed
 128.23 contract under section 124E.10, subdivision 1.

128.24 Subd. 3. **Aid reductions.** (a) The commissioner may reduce a charter school's
 128.25 state aid under section 127A.42 or 127A.43 if the charter school board fails to correct a
 128.26 violation under this chapter.

128.27 (b) The commissioner may reduce a charter school's state aid by an amount not
 128.28 to exceed 60 percent of the charter school's basic revenue for the period of time ~~that a~~
 128.29 ~~violation of law occurs~~ was violated.

128.30 Subd. 4. **Aid withholding.** (a) If a charter school fails to comply with the
 128.31 commissioner's directive to return, for cause, federal or state funds administered by the
 128.32 department, the commissioner may withhold an amount of state aid sufficient to satisfy
 128.33 the directive.

128.34 (b) ~~If, within the timeline under section 471.425,~~ after receiving an undisputed
 128.35 invoice for goods and services, a charter school fails to pay the state of Minnesota, a school
 128.36 district, intermediate school district, or service cooperative ~~after receiving an undisputed~~

129.1 ~~invoice for goods and services~~ within the timeline under section 471.425, the commissioner
129.2 may withhold an amount of state aid sufficient to satisfy the claim and shall distribute the
129.3 withheld aid to the interested state agency, school district, intermediate school district, or
129.4 service cooperative. An interested state agency, school district, intermediate school district,
129.5 or education cooperative shall notify the commissioner when a charter school fails to pay
129.6 an undisputed invoice within 75 business days of when it received the original invoice.

129.7 Sec. 17. Minnesota Statutes 2015 Supplement, section 124E.26, is amended to read:

129.8 **124E.26 USE OF STATE MONEY.**

129.9 ~~Money received from the state may not be used~~ A charter school may not use state
129.10 money to purchase land or buildings. The charter school may own land and buildings if
129.11 obtained through nonstate sources.

129.12 Sec. 18. **SUPERSEDING ACTS.**

129.13 Any amendments or repeals enacted in the 2016 session of the legislature to sections
129.14 also amended or repealed in this article of this act supersede the amendments in this article
129.15 of this act regardless of order of enactment.

APPENDIX
Article locations in S2744-1

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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.

120B.35 STUDENT ACADEMIC ACHIEVEMENT AND GROWTH.

Subd. 4. **Improving schools.** Consistent with the requirements of this section, beginning June 20, 2012, the commissioner of education must annually report to the public and the legislature best practices implemented in those schools that demonstrate high growth compared to the state growth target.

122A.245 ALTERNATIVE TEACHER PREPARATION PROGRAM AND LIMITED-TERM TEACHER LICENSE.

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

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.43 SHORT-TERM, LIMITED CONTRACTS.

Subd. 6. **Report.** Each district awarding contracts under this section is encouraged to submit a report to the commissioner. The report shall indicate the number of contracts awarded, whether duties are to be performed before, during, or after the school day or during the summer, the total cost of all contracts, and a general description of the duties. The statement shall also describe how

APPENDIX

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the recommendations required by subdivision 2 were obtained. Any problems associated with implementing this section may be included.

123B.06 EVALUATION OF PUPIL GROWTH AND PROGRESS; PERMANENT RECORDS.

Each school district shall provide a testing program for the purpose of measuring pupil growth and for curriculum evaluation, as well as a system for grading and making reports to parents. Each district shall develop an appropriate program of pupil progress and promotion for its elementary, middle, and secondary schools. Each district shall keep accurate and complete individual, permanent, cumulative personal records for all pupils.

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.

127A.51 STATEWIDE AVERAGE REVENUE.

By October 1 of each year the commissioner must estimate the statewide average adjusted general revenue per adjusted pupil unit and the disparity in adjusted general revenue among pupils and districts by computing the ratio of the 95th percentile to the fifth percentile of adjusted general revenue. The commissioner must provide that information to all districts.

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

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