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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. **592**

02/14/2013 Authored by Winkler; Paymar; Freiberg; Murphy, E.; Mariani and others

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

03/13/2013 Adoption of Report: Pass as Amended and re-referred to the Committee on Government Operations

1.1 A bill for an act
1.2 relating to education finance; authorizing the Perpich Center for Arts Education
1.3 to operate a voluntary integration magnet school; transferring staff and facilities;
1.4 modifying funding formulas; appropriating money; amending Minnesota Statutes
1.5 2012, section 129C.10, subdivision 3, by adding a subdivision; proposing coding
1.6 for new law in Minnesota Statutes, chapter 129C.

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

1.8 Section 1. Minnesota Statutes 2012, section 129C.10, subdivision 3, is amended to read:

1.9 Subd. 3. **Powers and duties of board.** (a) The board has the powers necessary for
1.10 the care, management, and control of the Perpich Center for Arts Education and any other
1.11 school authorized in this chapter, and all its their real and personal property. The powers
1.12 shall include, but are not limited to, those listed in this subdivision.

1.13 (b) The board may employ and discharge necessary employees, and contract for
1.14 other services to ensure the efficient operation of the Center for Arts Education and any
1.15 other school authorized in this chapter.

1.16 (c) The board may receive and award grants. The board may establish a charitable
1.17 foundation and accept, in trust or otherwise, any gift, grant, bequest, or devise for
1.18 educational purposes and hold, manage, invest, and dispose of them and the proceeds
1.19 and income of them according to the terms and conditions of the gift, grant, bequest, or
1.20 devise and its acceptance. The board must adopt internal procedures to administer and
1.21 monitor aids and grants.

1.22 (d) The board may establish or coordinate evening, continuing education, extension,
1.23 and summer programs for teachers and pupils.

(e) The board may identify pupils who have artistic talent, either demonstrated or potential, in dance, literary arts, media arts, music, theater, and visual arts, or in more than one art form.

(f) The board must educate pupils with artistic talent by providing:

(1) an interdisciplinary academic and arts program for pupils in the 11th and 12th grades. The total number of pupils accepted under this clause and clause (2) shall not exceed 310;

(2) additional instruction to pupils for a 13th grade. Pupils eligible for this instruction are those enrolled in 12th grade who need extra instruction and who apply to the board, or pupils enrolled in the 12th grade who do not meet learner outcomes established by the board;

(3) intensive arts seminars for one or two weeks for pupils in grades 9 to 12;

(4) summer arts institutes for pupils in grades 9 to 12;

(5) artist mentor and extension programs in regional sites; and

(6) teacher education programs for indirect curriculum delivery.

(g) The board may determine the location for the Perpich Center for Arts Education and any additional facilities related to the center, including the authority to lease a temporary facility.

(h) The board must plan for the enrollment of pupils on an equal basis from each congressional district.

(i) The board may establish task forces as needed to advise the board on policies and issues. The task forces expire as provided in section 15.059, subdivision 6.

(j) The board may request the commissioner of education for assistance and services.

(k) The board may enter into contracts with other public and private agencies and institutions for residential and building maintenance services if it determines that these services could be provided more efficiently and less expensively by a contractor than by the board itself. The board may also enter into contracts with public or private agencies and institutions, school districts or combinations of school districts, or service cooperatives to provide supplemental educational instruction and services.

(l) The board may provide or contract for services and programs by and for the Center for Arts Education, including a store, operating in connection with the center; theatrical events; and other programs and services that, in the determination of the board, serve the purposes of the center.

(m) The board may provide for transportation of pupils to and from the Center for Arts Education for all or part of the school year, as the board considers advisable and subject to its rules. Notwithstanding any other law to the contrary, the board may charge a

reasonable fee for transportation of pupils. Every driver providing transportation of pupils under this paragraph must possess all qualifications required by the commissioner of education. The board may contract for furnishing authorized transportation under rules established by the commissioner of education and may purchase and furnish gasoline to a contract carrier for use in the performance of a contract with the board for transportation of pupils to and from the Center for Arts Education. When transportation is provided, scheduling of routes, establishment of the location of bus stops, the manner and method of transportation, the control and discipline of pupils, and any other related matter is within the sole discretion, control, and management of the board.

(n) The board may provide room and board for its pupils. If the board provides room and board, it shall charge a reasonable fee for the room and board. The fee is not subject to chapter 14 and is not a prohibited fee according to sections 123B.34 to 123B.39.

(o) The board may establish and set fees for services and programs. If the board sets fees not authorized or prohibited by the Minnesota public school fee law, it may do so without complying with the requirements of section 123B.38.

(p) The board may apply for all competitive grants administered by agencies of the state and other government or nongovernment sources.

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

Sec. 2. Minnesota Statutes 2012, section 129C.10, is amended by adding a subdivision to read:

Subd. 5a. **Interdistrict voluntary integration magnet program.** The board may establish and operate an interdistrict integration magnet program according to section 129C.30.

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

Sec. 3. **[129C.30] CROSSWINDS INTEGRATION MAGNET SCHOOL.**

Subdivision 1. **Definitions.** (a) The following terms having the meanings given them for this chapter.

(b) "Board" means the board of directors of the Perpich Center for Arts Education.

(c) "Crosswinds school" means the Crosswinds school in Woodbury operated during the 2012-2013 school year by Joint Powers District No. 6067, East Metro Integration District.

Subd. 2. **Board to operate the Crosswinds school.** The board may operate the Crosswinds school with the powers and duties granted to it under this chapter.

4.1 Subd. 3. **General education funding.** (a) General education revenue must be paid
4.2 to the Crosswinds school as though it were a district. The general education revenue for
4.3 each adjusted marginal cost pupil unit is the state average general education revenue
4.4 per pupil unit, plus the referendum equalization aid allowance in the pupil's district of
4.5 residence, calculated without basic skills revenue, extended time revenue, alternative
4.6 teacher compensation revenue, transition revenue, and transportation sparsity revenue,
4.7 plus basic skills revenue, extended time revenue, basic alternative teacher compensation
4.8 aid according to section 126C.10, subdivision 34, and transition revenue as though the
4.9 school were a school district. The general education revenue for each extended time
4.10 marginal cost pupil unit equals \$4,378.

4.11 (b) General education revenue under paragraph (a) must be reduced by an amount
4.12 equal to 75 percent of the school's equity revenue for that year.

4.13 Subd. 4. **Special education funding.** Special education aid must be paid to the
4.14 Crosswinds school according to section 125A.76, as though it were a school district. The
4.15 special education aid paid to the Crosswinds school shall be adjusted as follows:

4.16 (1) if the Crosswinds school does not receive general education revenue on behalf of
4.17 the student according to subdivision 3, the aid shall be adjusted as provided in section
4.18 125A.11; or

4.19 (2) if the Crosswinds school receives general education revenue on behalf of the
4.20 student according to subdivision 3, the aid shall be adjusted as provided in section
4.21 127A.47, subdivision 7, paragraph (e).

4.22 Subd. 5. **Pupil transportation.** The board may transport pupils enrolled in the
4.23 2012-2013 school year to and from the Crosswinds school in succeeding school years
4.24 regardless of the student's district of residence. Pupil transportation expenses under this
4.25 section are reimbursable under section 124D.87.

4.26 Subd. 6. **Integration aid.** The Crosswinds school is eligible for integration aid as if
4.27 it were a school district under section 124D.86 or any successor section.

4.28 Subd. 7. **Other aids, grants, revenue.** (a) The Crosswinds school is eligible to
4.29 receive other aids, grants, and revenue according to chapters 120A to 129C as though it
4.30 were a district.

4.31 (b) Notwithstanding paragraph (a), the Crosswinds school may not receive aid, a
4.32 grant, or revenue if a levy is required to obtain the money, or if the aid, grant, or revenue
4.33 replaces levy revenue that is not general education revenue, except as otherwise provided
4.34 in this section.

4.35 (c) Federal aid received by the state must be paid to the school, if it qualifies for
4.36 the aid as though it were a school district.

(d) In the year-end report to the commissioner of education, the Crosswinds school shall report the total amount of funds received from grants and other outside sources.

Subd. 8. **Year-round programming.** The Crosswinds school may operate as a flexible learning year program under sections 124D.12 to 124D.127.

Subd. 9. **Data requirements.** The commissioner of education shall require the Crosswinds school to follow the budget and accounting procedures required for school districts and the Crosswinds school shall report all data to the Department of Education in the form and manner required by the commissioner.

Sec. 4. TRANSITION REQUIREMENTS; CROSSWINDS SCHOOL.

Subdivision 1. **Facilities.** Notwithstanding the specified uses of state general obligation bond proceeds appropriated in Laws 1998, chapter 404, section 5, subdivision 5; Laws 1999, chapter 240, article 1, section 3; Laws 2000, chapter 492, article 1, section 5, subdivision 2; Laws 2001, First Special Session chapter 12, section 2, subdivision 2; and Laws 2005, chapter 20, article 1, section 5, subdivision 3, the facilities owned by the Joint Powers District No. 6067, East Metro Integration District, in Woodbury, known as the Crosswinds school, may be conveyed to the Perpich School for Arts Education for any public educational use.

Subd. 2. **Staff transferred; contracts to remain separate.** On July 1, 2013, all licensed and unlicensed employees of the East Metro Integration District assigned to the Crosswinds school as of February 1, 2013, except administrative employees, are appointed to the state civil service as employees of the Perpich Center for Arts Education. The commissioner of management and budget shall assign these employees to the appropriate job classes in the state civil service. Terms and conditions of employment for the transferred employees on and after July 1, 2013, shall be determined by the collective bargaining agreement or compensation plan applicable to each job class. A person who becomes a state employee under this section is considered to have begun employment with the state on the date the person became an employee of the East Metro Integration District. If a person took a leave of absence from another school district to become an employee of the East Metro Integration District, the person is considered to have begun employment with the state on the date the person first became an employee of the school district from which the employee took the leave of absence.

Subd. 3. **Student enrollment.** Any student enrolled in the Crosswinds school during the 2012-2013 school year may continue to enroll in the Crosswinds school in any subsequent year. For the 2013-2014 school year and later, a student may apply for enrollment to the school at any time in the method and manner prescribed by the board.

6.1 Subd. 4. **Compensatory revenue.** For the 2013-2014 school year only, the
6.2 Department of Education must calculate compensatory revenue for the Crosswinds school
6.3 based on the fall 2012 enrollment counts at that site.

6.4 Subd. 5. **Title 1 funding.** To the extent possible, the Department of Education must
6.5 qualify the Crosswinds school for Title 1 funding as if the program were still operated by
6.6 Joint Powers District No. 6067, East Metro Integration District.

6.7 Subd. 6. **Timelines notwithstanding.** Any timelines established by resolution or
6.8 otherwise by Joint Powers Board No. 6067, East Metro Integration District, to convey the
6.9 Crosswinds school to another party are waived and are without effect.

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