

**SENATE  
STATE OF MINNESOTA  
NINETIETH SESSION**

**S.F. No. 1821**

(SENATE AUTHORS: NELSON)

**DATE**  
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Introduction and first reading  
Referred to E-12 Policy

**OFFICIAL STATUS**

1.1 A bill for an act  
1.2 relating to education; establishing contract accountability measures for charter  
1.3 schools serving at-risk student populations; amending Minnesota Statutes 2016,  
1.4 section 124E.10, subdivision 1, by adding a subdivision.

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

1.6 Section 1. Minnesota Statutes 2016, section 124E.10, subdivision 1, is amended to read:

1.7 Subdivision 1. **Contents.** (a) To authorize a charter school, the authorizer and the charter  
1.8 school board of directors must sign a written contract within 45 business days of the  
1.9 commissioner's approval of the authorizer's affidavit. The authorizer shall submit a copy of  
1.10 the charter contract to the commissioner within ten business days after the contract is signed  
1.11 \_by the contracting parties. The contract must include at least the following:

1.12 (1) a declaration that the charter school will carry out the primary purpose in section  
1.13 124E.01, subdivision 1, and indicate how the school will report its implementation of the  
1.14 primary purpose to its authorizer;

1.15 (2) a declaration of the additional purpose or purposes in section 124E.01, subdivision  
1.16 1, that the school intends to carry out and indicate how the school will report its  
1.17 implementation of those purposes to its authorizer;

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

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

1.21 (5) a school governance, management, and administration plan;

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

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

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

(9) types and amounts of insurance liability coverage the charter school must obtain, consistent with section 124E.03, subdivision 2, paragraph (d);

(10) consistent with section 124E.09, paragraph (d), a provision to indemnify and hold harmless from any suit, claim, or liability arising from any charter school operation:

(i) the authorizer and its officers, agents, and employees; and

(ii) notwithstanding section 3.736, the commissioner and department officers, agents, and employees;

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

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

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

(14) the additional purposes under section 124E.01, subdivision 1, and related performance obligations under clause (7) contained in the charter contract as additional factors in determining whether to renew the contract.

(b) In addition to the requirements of paragraph (a), the charter contract must contain the plan for an orderly closing of the school under chapter 317A, that establishes the responsibilities of the school board of directors and the authorizer, whether the closure is a

3.1 termination for cause, a voluntary termination, or a nonrenewal of the contract. The plan  
3.2 must establish who is responsible for:

3.3 (1) notifying the commissioner, school district in which the charter school is located,  
3.4 and parents of enrolled students about the closure;

3.5 (2) providing parents of enrolled students information and assistance to enable the student  
3.6 to re-enroll in another school;

3.7 (3) transferring student records under section 124E.03, subdivision 5, paragraph (b), to  
3.8 the student's resident school district; and

3.9 (4) closing financial operations.

3.10 ~~(e) A charter school must design its programs to at least meet the outcomes adopted by~~  
3.11 ~~the commissioner for public school students, including world's best workforce goals under~~  
3.12 ~~section 120B.11, subdivision 1. In the absence of the commissioner's requirements governing~~  
3.13 ~~state standards and benchmarks, the school must meet the outcomes contained in the contract~~  
3.14 ~~with the authorizer. The achievement levels of the outcomes contained in the contract may~~  
3.15 ~~exceed the achievement levels of any outcomes adopted by the commissioner for public~~  
3.16 ~~school students.~~

3.17 Sec. 2. Minnesota Statutes 2016, section 124E.10, is amended by adding a subdivision to  
3.18 read:

3.19 Subd. 1a. **Pupil performance.** (a) A charter school must design its programs to at least  
3.20 meet the outcomes adopted by the commissioner for public school students including world's  
3.21 best workforce goals under section 120B.11, subdivision 1. In the absence of the  
3.22 commissioner's requirements governing state standards and benchmarks, the school must  
3.23 meet the outcomes contained in the contract with the authorizer. The achievement levels of  
3.24 the outcomes contained in the contract may exceed the achievement levels of any outcomes  
3.25 adopted by the commissioner for public school students.

3.26 (b) Notwithstanding any other law to the contrary, a charter school where at least 70  
3.27 percent of enrolled pupils are eligible to participate in the graduation incentives program  
3.28 under section 124D.68, or where the charter school contract limits admission to pupils  
3.29 eligible to participate in the graduation incentives program under section 124D.68, is subject  
3.30 to statewide accountability measures applicable to public schools under chapter 120B, but  
3.31 consistent with the alternative measures established under this paragraph and Minnesota  
3.32 Graduation Standards. For eligible schools, the written charter contract under subdivision  
3.33 1 between the charter school authorizer and the school's board of directors shall be based

on the student academic, career and college readiness, and student engagement performance measures established under this paragraph.

(1) Thirty percent of any performance evaluation of a charter school under this paragraph shall be based on longitudinal data showing student achievement and growth on a nationally or state-normed assessment for groups of ten or more students who are continuously enrolled in the charter school for at least 120 school days before the assessment is administered.

(2) Forty percent of any student performance evaluation of a charter school under this paragraph shall be based on demonstrated growth in any four of the following postsecondary and workforce readiness measures, as stipulated in the charter school contract and demonstrated by the requisite evidence:

(i) a three-year average graduation rate for students who complete high school in four, five, or six years;

(ii) a three-year graduation rate for noncontinuously enrolled students who complete high school in seven years;

(iii) average student drop-out rate for students who leave the charter school in a single year without pursuing an education alternative;

(iv) the participation rate and composite score of those students in a school year taking a national postsecondary or workforce readiness assessment such as the ACT, PSAT, SAT, ACCUPLACER, or ASVAB;

(v) the percentage of students in the 12th grade cohort, as identified by the number of completed course credits at the beginning of the school year, who graduate within that school year;

(vi) the percentage of students in a school year who successfully transfer to another education program, including those leading to a diploma, credential or degree, or care and treatment program;

(vii) the percentage of students in the previous school year who complete an education program, receive a diploma, enroll in a postsecondary program or institution, enlist in the military, or obtain full-time employment;

(viii) the percentage of students in a school year who successfully complete the number of course credits they need to stay on track to graduate within an established timeline;

(ix) the percentage of students in a school year who successfully meet work certification or preapprenticeship program requirements; or

5.1 (x) the percentage of students in a school year who earn dual enrollment credits through  
5.2 the Postsecondary Enrollment Options Act under section 124D.09 or other dual credit  
5.3 program.

5.4 (3) Thirty percent of any student performance evaluation of a charter school under this  
5.5 paragraph shall be based on data from any three of the following student engagement  
5.6 measures applied to groups of ten or more students who are continuously enrolled in the  
5.7 charter school for at least 120 days:

5.8 (i) a three-year average daily attendance rate;

5.9 (ii) a demonstrated percentage improvement in attendance by a cohort;

5.10 (iii) a three-year average of the total number of days students are reported as truant;

5.11 (iv) the number of student dropouts who enroll in the school and remain continuously  
5.12 enrolled throughout that school year;

5.13 (v) the percentage of students in a school year or a 12-month period who participate in  
5.14 and demonstrate growth on character and social competency assessments measuring  
5.15 decision-making skills, career readiness, education or aspiration goals, and similar  
5.16 characteristics or competencies; or

5.17 (vi) the percentage of students in a school year who meet the community service goals  
5.18 in their individual learning plan as measured by the charter school's citizenship and  
5.19 community outcomes rubric.

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