

HOUSE RESEARCH

Bill Summary

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Proposals
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Overview

Contains department of children, families and learning proposals for administrative and policy changes to the state's education code.

Section

Article 1: General Education

- 1 **Voluntary surrender of transportation privileges.** Grants the parent of an elementary student the same authority of a parent of a secondary student to voluntarily surrender transportation privileges (this allows school districts to potentially design more efficient bus routes).
- 2 **Transportation.** Moves forward from July 1, to March 1, the date by which a charter school must notify a school district of its decision on pupil transportation (a charter school may either provide its own pupil transportation or request the district in which it is located to provide transportation to the charter school residents of that district). Adds language clarifying that if the school district provides transportation services for the charter school, that the school district has the sole discretion, control, and management of the pupil transportation activities.
- 3 **General education revenue.** Removes an obsolete cross reference.
- 4 **Transportation revenue.** Removes an obsolete cross reference.
- 5 **School district LEP revenue.** Removes obsolete language from the limited English proficiency (LEP) program statute.
- 6 **Basic skills reference.** Clarifies a cross reference.
- 7 **District equity gap.** Corrects an erroneous percentile (95th instead of 90th) for the calculation of equity revenue.
- 8 **Use of basic skills revenue.** Removes an obsolete cross reference.
- 9 **Referendum equalization aid.** Requires certain low property value districts with high

referendum amounts to seek annual approval from the commissioner of children, families and learning for second tier referendum equalization aid. Caps the total aid amount.

10 **Referendum tax base replacement aid.** Removes an unnecessary paragraph.

11 **County apportionment deduction.** Removes an obsolete reference to the general education levy.

12 **1977 statutory operating debt.** Matches the statutory tax rate for the 1977 statutory operating debt levy to the actual rate (the 2001 Tax bill necessitated changing all of the school tax rates and accomplished this through a separate statutory provision).

13 **Violations of law.** Clarifies that the commissioner may reduce or withhold state aid for noncompliance with state laws prohibiting discrimination against any person in a protected class listed in the state Human Rights Act.

14 **Alternative attendance programs.** Conforms the language regarding tuition payments for pupils attending area learning centers to match the current practice (this change was caused by the switch from resident pupils to pupils served as the state's primary mechanism for paying school aids).

15 **Charter schools.** Removes an obsolete cross reference.

16 **Severance levy; St. Paul school district.** Amends the session law authorizing the St. Paul school district to levy for certain severance costs. The maximum stated tax rate is changed from .21% to .34% of net tax capacity (this change in the stated rate matches the actual rate as a result of the 2001 tax bill).

17 **Referendum equalization levy.** Limits a district's second tier referendum equalization levy to not less than 15% of the district's second tier equalization revenue. This section, in combination with section 9, limits second tier equalization revenue for school districts with virtually no local tax base.

18 **Revisor instruction.** Instructs the revisor to codify the St. Paul school district severance levy that is amended in section 16.

19 **Repealer.** Repeals the following:

123B.81 - Statutory operating debt report due on January 15, 1998.

124D.65, subd. 4. - Obsolete language regarding LEP funding.

Laws 2001 first special session chapter 6, article 5, section 12 - Tax rate adjustments to match the new tax base created in the 2001 tax bill.

126C.01, subd. 4. - Obsolete language regarding the general education equalizing factor.

126C.14 - General education levy equity.

126C.40, subd. 4. - ITV levy authority.

Laws 2001, first special session chapter 6, article 1, section 31 - Technical change to the operating referendum levy in conflict with the new referendum equalization language.

Article 2: Education Excellence

1 **Definition.** Defines "people of color" to include persons who have significant experience in communities of color.

2 **Commissioner's role.** Strikes a requirement that the commissioner periodically report on and evaluate the effectiveness of site management agreements.

3 **Definitions.** Includes tribal college as an eligible institution under the state's post secondary enrollment options program.

4 **Alternative pupil.** Amends the definition of alternative pupil to condition eligibility for home

schooled students on complying with the requirement that the home school instructor report to the superintendent annually by October 1, the name, birth date, and address of each student receiving home school instruction.

5 **Credits.** Strikes the requirement that a pupil participating in the state's post secondary enrollment options program designate whether courses are for secondary or post secondary credit.

6 **Textbooks; materials.** Makes textbooks and equipment provided to a pupil under the state's post secondary enrollment options program the property of the post secondary institution instead of the resident school district.

7 **Career and technical education district reports.** Requires school districts and cooperative centers to report to the department all data the department requires on career and technical education programs.

8 **Effective date.** Changes from February 1, 2002 to February 1, 2008 the date by which students must demonstrate computational skills without using a calculator on the state's basic skills math test.

9 **Profile of learning.** Allows the commissioner to amend profile of learning rules.

Article 3: Special Programs

1 **Suspension.** Includes other qualified personnel in the meeting with a disabled student's individual education plan team that must occur within 10 days after the student is removed from the student's current educational placement.

2 **Department study.** Directs the department of children, families and learning to enforce all federal and state laws, federal regulations and state rules governing special education.

3 **Special instruction for children with a disability.** Requires school districts and other public education entities to provide a free appropriate public education through specialized instruction and related services for all eligible disabled children residing in the district, consistent with the state's Pupil Fair Dismissal Act.

4 **Initial action.** Allows a school district to initiate a due process hearing in which a hearing officer may issue a decision overriding a parent's refusal to consent to an initial evaluation or reevaluation of a disabled child.

5 **Individualized family service plan.** Amends the definition of individualized family service plan to mean a plan for providing services to a child age birth to three years.

6 **Mediation procedure.** Strikes language requiring all public agencies serving very young children under IDEA to participate when a parent chooses mediation to resolve a dispute and, instead, requires mediation to be voluntary for all parties.

7 **School district special education aid.** Causes a charter school in its first four years of operation to generate state special education aid based on current year expenditures and subjects a charter school to the special education aid formula applicable to school districts in the charter school's fifth year of operation and later.

8 **Revenue allocation from cooperative centers and intermediates.** Requires a service cooperative and an education district, in addition to a special education cooperative, to allocate approved special education program expenditures among participating school districts.

Article 4: Facilities and Technology

1 **Health and safety levy.** Matches the statutory equalizing factor for the health and safety revenue program to the actual equalizing factor (the 2001 tax bill necessitated changing all of the school equalizing factors and accomplished this through a separate statutory provision).

- 2 **Purchase of certain equipment.** Limits the amount of bonds that a district can issue without voter approval for certain equipment purchases to the lesser of the district's total operating capital or the sum of the district's total levy in the community service and general fund. The payments for these bonds were formerly offset against the district's general education levy. The elimination of the general education levy necessitates a change in the revenue stream used to repay these bonds.
- 3 **Bonds for certain capital facilities.** Limits the amount of bonds that a district can issue without voter approval for certain facilities improvements to the lesser of the district's total operating capital or the sum of the district's total levy in the community service and general fund. The payments for these bonds were formerly offset against the district's general education levy. The elimination of the general education levy necessitates a change in the revenue stream used to repay these bonds.
- 4 **Capital project referendum program.** Changes the name of the down payment levy program to the capital project referendum program. Clarifies that funds raised under this section must be transferred to the building construction fund.
- 5 **Levy.** Clarifies the maximum effort debt service levy tax rate and matches the statutory rate to the actual rate.
- 6 **Maximum effort debt service levy.** Matches the statutory tax rate for the maximum effort debt service levy to the actual rate (the 2001 tax bill necessitated changing all of the school tax rates and accomplished this through a separate statutory provision).
- 7 **Capital loan eligibility.** Matches the statutory minimum capital loan eligibility rates to the actual rate of 40% of adjusted net tax capacity (the 2001 tax bill necessitated changing all of the school district tax rates).
- 8 **Loan amount limits.** Matches the statutory capital loan amounts local share to the actual rate of 607% (the 2001 tax bill necessitated changing capital loan amounts to match the new tax base).
- 9 **Debt service resolution.** Specifies that the tax levy for school district debt payments is equal to 105% percent of the amount actually needed to meet the payments for the following year (current law allows districts to levy between 105% and 106% of the amount actually needed to make the payments).

Article 5: Nutrition and Other Programs

- 1 **Private data; when disclosure is permitted.** Allows the commissioner of children, families and learning to release data on students approved for free and reduced price meals to the commissioners of human services, health, economic security, housing finance and revenue for purposes of verifying self-reported information. Allows the various commissioners to confirm to the commissioner of children, families and learning students' eligibility for free and reduced price meals based on reported household income information or household participation in programs with household income guidelines. Prohibits releasing to the commissioner of children, families and learning data on household incomes.
- Allows the commissioners to exchange data on individuals for purposes of certifying individuals for free and reduced price meals or other meal benefits. Limits the commissioners of human services, health, economic security, housing finance and revenue to confirming to the commissioner of children, families and learning to confirming individuals' eligibility for meal benefits based on reported household income information or household participation in programs with household income guidelines. Prohibits releasing to the commissioner of children, families and learning data on household incomes.
- 2 **Public data.** Excepts from classification as public data the nondesignated addresses included in licensees' application data.

- 3 **General.** Strikes an exception to a prohibition against disclosing private data on individuals that allows the welfare system to disclose data to the department of children, families and learning for purposes of matching department data with public assistance data to determine students' eligibility for free and reduced price meals, other meal benefits and free milk.
- 4 **Cocurricular activities.** Allows, instead of prohibits, cocurricular activities to be offered for school credit or counted toward graduation, consistent with Minnesota Rules.
- 5 **Board control of extracurricular activities.** Changes the name of the manual for recording extracurricular expenditures and revenues to Manual for Activity Fund Accounting.
- 6 **Special operating plan.** Requires a school district to submit to the commissioner for approval a special operating plan to reduce deficit expenditures when the district's net negative unreserved general fund balance as of June 30 is more than a negative two and one-half percent of the year's expenditure amount.
- 7 **School milk program.** Deletes the purpose statement. Provides public and nonpublic schools with daily access to one serving of milk. Strikes language encouraging school districts to participate in the program. Strikes language directing the commissioner to seek public and private funding sources. Requires program guidelines to reimburse schools for program expenses and strikes language allowing prepayments.
- 8 **Net unreserved general fund balance.** Defines net unreserved general fund balance to mean the unreserved or undesignated general fund balance and encumbrances.
- 9 **Legislative task force on reducing the complexity and inequities of kindergarten through grade 12 funding and governance statutes and rules.** Expands the purview of the legislative task force on reducing the complexity and inequities of kindergarten through grade 12 funding statutes and rules to include governance-related issues. Increases the number of task force members from eight to 12 and directs the governor to appoint four members. Directs the task force to also consider how district demographics impact funding, staffing and programmatic options, how to provide greater administrative efficiency and effectiveness and coordinate student and family services with other agencies and political subdivisions, how governance policies support local involvement in school site decision making, and the impact of aligning school district and county boundaries.
- Makes this section effective immediately.
- 10 **Repealer.** Repeals the definition of net unappropriated operating fund balance.