

1.1 moves to amend H.F. No. 630 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "ARTICLE 1

1.4 GENERAL EDUCATION

1.5 Section 1. Minnesota Statutes 2012, section 120A.20, subdivision 1, is amended to read:

1.6 Subdivision 1. **Age limitations; pupils.** (a) All schools supported in whole or
1.7 in part by state funds are public schools. Admission to a public school is free to any
1.8 person who: (1) resides within the district that operates the school; (2) is under 21 years of
1.9 age or who meets the requirements of paragraph (c); and (3) satisfies the minimum age
1.10 requirements imposed by this section. Notwithstanding the provisions of any law to the
1.11 contrary, the conduct of all students under 21 years of age attending a public secondary
1.12 school is governed by a single set of reasonable rules and regulations promulgated by the
1.13 school board.

1.14 (b) A person shall not be admitted to a public school (1) as a kindergarten pupil,
1.15 unless the pupil is at least five years of age on September 1 of the calendar year in which
1.16 the school year for which the pupil seeks admission commences; or (2) as a 1st grade
1.17 student, unless the pupil is at least six years of age on September 1 of the calendar year in
1.18 which the school year for which the pupil seeks admission commences or has completed
1.19 kindergarten; except that any school board may establish a policy for admission of
1.20 selected pupils at an earlier age under section 124D.02.

1.21 (c) A pupil who becomes age 21 after enrollment is eligible for continued free public
1.22 school enrollment until at least one of the following occurs: (1) the first September 1 after
1.23 the pupil's 21st birthday; (2) the pupil's completion of the graduation requirements; (3)
1.24 the pupil's withdrawal with no subsequent enrollment within 21 calendar days; or (4)
1.25 the end of the school year.

2.1 Sec. 2. Minnesota Statutes 2012, section 120A.41, is amended to read:

2.2 **120A.41 LENGTH OF SCHOOL YEAR; HOURS OF INSTRUCTION.**

2.3 A school board's annual school calendar must include at least 425 hours of
 2.4 instruction for a kindergarten student without a disability, 935 hours of instruction for a
 2.5 student in grades 1 through 6, and 1,020 hours of instruction for a student in grades 7
 2.6 through 12, not including summer school. ~~Nothing in this section permits a school district
 2.7 to adopt~~ A school board's annual calendar must include at least 165 days of instruction
 2.8 for a student in grades 1 through 11 unless a four-day week schedule unless has been
 2.9 approved by the commissioner under section 124D.126.

2.10 Sec. 3. Minnesota Statutes 2012, section 123B.88, subdivision 22, is amended to read:

2.11 Subd. 22. **Postsecondary enrollment options pupils.** Districts may provide bus
 2.12 transportation along school bus routes when space is available, for pupils attending
 2.13 programs at a postsecondary institution under the postsecondary enrollment options
 2.14 program. ~~The transportation is permitted only if it does not increase the district's
 2.15 expenditures for transportation.~~ Fees collected for this service under section 123B.36,
 2.16 subdivision 1, paragraph (13), shall be subtracted from the authorized cost for nonregular
 2.17 transportation for the purpose of section 123B.92. A school district may provide
 2.18 transportation for a pupil participating in an articulated program operated under an
 2.19 agreement between the school district and the postsecondary institution.

2.20 Sec. 4. Minnesota Statutes 2012, section 123B.92, subdivision 1, is amended to read:

2.21 Subdivision 1. **Definitions.** For purposes of this section and section 125A.76, the
 2.22 terms defined in this subdivision have the meanings given to them.

2.23 (a) "Actual expenditure per pupil transported in the regular and excess transportation
 2.24 categories" means the quotient obtained by dividing:

2.25 (1) the sum of:

2.26 (i) all expenditures for transportation in the regular category, as defined in paragraph
 2.27 (b), clause (1), and the excess category, as defined in paragraph (b), clause (2), plus

2.28 (ii) an amount equal to one year's depreciation on the district's school bus fleet
 2.29 and mobile units computed on a straight line basis at the rate of 15 percent per year for
 2.30 districts operating a program under section 124D.128 for grades 1 to 12 for all students in
 2.31 the district and 12-1/2 percent per year for other districts of the cost of the fleet, plus

2.32 (iii) an amount equal to one year's depreciation on the district's type III vehicles, as
 2.33 defined in section 169.011, subdivision 71, which must be used a majority of the time for

3.1 pupil transportation purposes, computed on a straight line basis at the rate of 20 percent
3.2 per year of the cost of the type three school buses by:

3.3 (2) the number of pupils eligible for transportation in the regular category, as defined
3.4 in paragraph (b), clause (1), and the excess category, as defined in paragraph (b), clause (2).

3.5 (b) "Transportation category" means a category of transportation service provided to
3.6 pupils as follows:

3.7 (1) Regular transportation is:

3.8 (i) transportation to and from school during the regular school year for resident
3.9 elementary pupils residing one mile or more from the public or nonpublic school they
3.10 attend, and resident secondary pupils residing two miles or more from the public
3.11 or nonpublic school they attend, excluding desegregation transportation and noon
3.12 kindergarten transportation; but with respect to transportation of pupils to and from
3.13 nonpublic schools, only to the extent permitted by sections 123B.84 to 123B.87;

3.14 (ii) transportation of resident pupils to and from language immersion programs;

3.15 (iii) transportation of a pupil who is a custodial parent and that pupil's child between
3.16 the pupil's home and the child care provider and between the provider and the school, if
3.17 the home and provider are within the attendance area of the school;

3.18 (iv) transportation to and from or board and lodging in another district, of resident
3.19 pupils of a district without a secondary school; and

3.20 (v) transportation to and from school during the regular school year required under
3.21 subdivision 3 for nonresident elementary pupils when the distance from the attendance
3.22 area border to the public school is one mile or more, and for nonresident secondary pupils
3.23 when the distance from the attendance area border to the public school is two miles or
3.24 more, excluding desegregation transportation and noon kindergarten transportation.

3.25 For the purposes of this paragraph, a district may designate a licensed day care facility,
3.26 school day care facility, respite care facility, the residence of a relative, or the residence
3.27 of a person or other location chosen by the pupil's parent or guardian, or an after-school
3.28 program for children operated by a political subdivision of the state, as the home of a pupil
3.29 for part or all of the day, if requested by the pupil's parent or guardian, and if that facility,
3.30 residence, or program is within the attendance area of the school the pupil attends.

3.31 (2) Excess transportation is:

3.32 (i) transportation to and from school during the regular school year for resident
3.33 secondary pupils residing at least one mile but less than two miles from the public or
3.34 nonpublic school they attend, and transportation to and from school for resident pupils
3.35 residing less than one mile from school who are transported because of full-service school
3.36 zones, extraordinary traffic, drug, or crime hazards; and

4.1 (ii) transportation to and from school during the regular school year required under
4.2 subdivision 3 for nonresident secondary pupils when the distance from the attendance area
4.3 border to the school is at least one mile but less than two miles from the public school
4.4 they attend, and for nonresident pupils when the distance from the attendance area border
4.5 to the school is less than one mile from the school and who are transported because of
4.6 full-service school zones, extraordinary traffic, drug, or crime hazards.

4.7 (3) Desegregation transportation is transportation within and outside of the district
4.8 during the regular school year of pupils to and from schools located outside their normal
4.9 attendance areas under a plan for desegregation mandated by the commissioner or under
4.10 court order.

4.11 (4) "Transportation services for pupils with disabilities" is:

4.12 (i) transportation of pupils with disabilities who cannot be transported on a regular
4.13 school bus between home or a respite care facility and school;

4.14 (ii) necessary transportation of pupils with disabilities from home or from school to
4.15 other buildings, including centers such as developmental achievement centers, hospitals,
4.16 and treatment centers where special instruction or services required by sections 125A.03
4.17 to 125A.24, 125A.26 to 125A.48, and 125A.65 are provided, within or outside the district
4.18 where services are provided;

4.19 (iii) necessary transportation for resident pupils with disabilities required by sections
4.20 125A.12, and 125A.26 to 125A.48;

4.21 (iv) board and lodging for pupils with disabilities in a district maintaining special
4.22 classes;

4.23 (v) transportation from one educational facility to another within the district for
4.24 resident pupils enrolled on a shared-time basis in educational programs, and necessary
4.25 transportation required by sections 125A.18, and 125A.26 to 125A.48, for resident pupils
4.26 with disabilities who are provided special instruction and services on a shared-time basis
4.27 or if resident pupils are not transported, the costs of necessary travel between public
4.28 and private schools or neutral instructional sites by essential personnel employed by the
4.29 district's program for children with a disability;

4.30 (vi) transportation for resident pupils with disabilities to and from board and lodging
4.31 facilities when the pupil is boarded and lodged for educational purposes;

4.32 (vii) transportation of pupils for a curricular field trip activity on a school bus
4.33 equipped with a power lift when the power lift is required by a student's disability or
4.34 section 504 plan; and

4.35 (viii) services described in clauses (i) to (vii), when provided for pupils with
4.36 disabilities in conjunction with a summer instructional program that relates to the

5.1 pupil's individualized education program or in conjunction with a learning year program
5.2 established under section 124D.128.

5.3 For purposes of computing special education initial aid under section 125A.76,
5.4 ~~subdivision~~ subdivisions 2 and 2a, the cost of providing transportation for children with
5.5 disabilities includes (A) the additional cost of transporting a homeless student from a
5.6 temporary nonshelter home in another district to the school of origin, or a formerly
5.7 homeless student from a permanent home in another district to the school of origin but
5.8 only through the end of the academic year; and (B) depreciation on district-owned school
5.9 buses purchased after July 1, 2005, and used primarily for transportation of pupils with
5.10 disabilities, calculated according to paragraph (a), clauses (ii) and (iii). Depreciation
5.11 costs included in the disabled transportation category must be excluded in calculating the
5.12 actual expenditure per pupil transported in the regular and excess transportation categories
5.13 according to paragraph (a). For purposes of subitem (A), a school district may transport
5.14 a child who does not have a school of origin to the same school attended by that child's
5.15 sibling, if the siblings are homeless.

5.16 (5) "Nonpublic nonregular transportation" is:

5.17 (i) transportation from one educational facility to another within the district for
5.18 resident pupils enrolled on a shared-time basis in educational programs, excluding
5.19 transportation for nonpublic pupils with disabilities under clause (4);

5.20 (ii) transportation within district boundaries between a nonpublic school and a
5.21 public school or a neutral site for nonpublic school pupils who are provided pupil support
5.22 services pursuant to section 123B.44; and

5.23 (iii) late transportation home from school or between schools within a district for
5.24 nonpublic school pupils involved in after-school activities.

5.25 (c) "Mobile unit" means a vehicle or trailer designed to provide facilities for
5.26 educational programs and services, including diagnostic testing, guidance and counseling
5.27 services, and health services. A mobile unit located off nonpublic school premises is a
5.28 neutral site as defined in section 123B.41, subdivision 13.

5.29 **EFFECTIVE DATE.** This section is effective July 1, 2013.

5.30 Sec. 5. Minnesota Statutes 2012, section 123B.92, subdivision 5, is amended to read:

5.31 Subd. 5. **District reports.** (a) Each district must report data to the department as
5.32 required by the department to account for transportation expenditures.

5.33 (b) Salaries and fringe benefits of district employees whose primary duties are
5.34 other than transportation, including central office administrators and staff, building
5.35 administrators and staff, teachers, social workers, school nurses, and instructional aides,

6.1 must not be included in a district's transportation expenditures, except that a district may
6.2 include salaries and benefits according to paragraph (c) for (1) an employee designated
6.3 as the district transportation director, (2) an employee providing direct support to the
6.4 transportation director, or (3) an employee providing direct transportation services such as
6.5 a bus driver or bus aide.

6.6 (c) Salaries and fringe benefits of the district employees listed in paragraph (b),
6.7 clauses (1), (2), and (3), who work part time in transportation and part time in other areas
6.8 must not be included in a district's transportation expenditures unless the district maintains
6.9 documentation of the employee's time spent on pupil transportation matters in the form
6.10 and manner prescribed by the department.

6.11 (d) A school district that contracts for transportation service may allocate
6.12 transportation expense to transportation categories based upon contract rates. Districts
6.13 may only allocate transportation expense to transportation categories based upon contract
6.14 rates if contract rates are reasonably consistent on a cost-per-hour, cost-per-mile,
6.15 cost-per-route, or cost-per-student basis. In order to allocate transportation expense based
6.16 upon contract rates, a school district, if audited, must be able to demonstrate to the auditor
6.17 that variances in the application of transportation cost basis rates are appropriate.

6.18 (e) Pupil transportation expenditures, excluding expenditures for capital outlay,
6.19 leased buses, student board and lodging, crossing guards, and aides on buses, must be
6.20 allocated among transportation categories based on cost-per-mile or cost-per-student
6.21 regardless of whether the transportation services are provided on district-owned or
6.22 contractor-owned school buses. Expenditures for school bus driver salaries and fringe
6.23 benefits may either be directly charged to the appropriate transportation category or may
6.24 be allocated among transportation categories based on cost-per-mile or cost-per-student.
6.25 Expenditures by private contractors or individuals who provide transportation exclusively
6.26 in one transportation category must be charged directly to the appropriate transportation
6.27 category. Transportation services provided by contractor-owned school bus companies
6.28 incorporated under different names but owned by the same individual or group of
6.29 individuals must be treated as the same company for cost allocation purposes.

6.30 ~~(e) Notwithstanding paragraph (d), districts contracting for transportation services~~
6.31 ~~are exempt from the standard cost allocation method for authorized and nonauthorized~~
6.32 ~~transportation categories if the district: (1) bids its contracts separately for authorized and~~
6.33 ~~nonauthorized transportation categories and for special transportation separate from regular~~
6.34 ~~and excess transportation; (2) receives bids or quotes from more than one vendor for these~~
6.35 ~~transportation categories; and (3) the district's cost-per-mile does not vary more than ten~~
6.36 ~~percent among categories, excluding salaries and fringe benefits of bus aides. If the costs~~

7.1 ~~reported by the district for contractor-owned operations vary by more than ten percent~~
 7.2 ~~among categories, the department shall require the district to reallocate its transportation~~
 7.3 ~~costs, excluding salaries and fringe benefits of bus aides, among all categories.~~

7.4 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2014
 7.5 and later.

7.6 Sec. 6. Minnesota Statutes 2012, section 124D.02, subdivision 1, is amended to read:

7.7 Subdivision 1. **Kindergarten instruction.** The board may establish and maintain
 7.8 one or more kindergartens for the instruction of children and after July 1, 1974, shall
 7.9 provide kindergarten instruction for all eligible children, either in the district or in
 7.10 another district. All children to be eligible for kindergarten must be at least five years
 7.11 of age on September 1 of the calendar year in which the school year commences. In
 7.12 addition all children selected under an early admissions policy established by the school
 7.13 board may be admitted. If established, a board-adopted early admissions policy must
 7.14 describe the process and procedures for comprehensive evaluation in cognitive, social,
 7.15 and emotional developmental domains to help determine the child's ability to meet
 7.16 kindergarten grade expectations and progress to first grade in the subsequent year. The
 7.17 comprehensive evaluation must use valid and reliable instrumentation, be aligned with
 7.18 state kindergarten expectations, and include a parent report and teacher observations of
 7.19 the child's knowledge, skills, and abilities. The early admissions policy must be made
 7.20 available to parents in an accessible format and is subject to review by the commissioner
 7.21 of education. The evaluation is subject to section 127A.41. Nothing in this section
 7.22 shall prohibit a school district from establishing Head Start, prekindergarten, or nursery
 7.23 school classes for children below kindergarten age. Any school board with evidence that
 7.24 providing kindergarten will cause an extraordinary hardship on the school district may
 7.25 apply to the commissioner of education for an exception.

7.26 Sec. 7. Minnesota Statutes 2012, section 124D.128, subdivision 2, is amended to read:

7.27 Subd. 2. **Commissioner designation.** (a) A state-approved alternative program
 7.28 designated by the state must be a site. A state-approved alternative program must provide
 7.29 services to students who meet the criteria in section 124D.68 and who are enrolled in:

- 7.30 (1) a district that is served by the state-approved alternative program; or
 7.31 (2) a charter school located within the geographic boundaries of a district that is
 7.32 served by the state-approved alternative program.

7.33 ~~(b) A school district or charter school may be approved biennially by the state to~~
 7.34 ~~provide additional instructional programming that results in grade level acceleration. The~~

8.1 ~~program must be designed so that students make grade progress during the school year~~
 8.2 ~~and graduate prior to the students' peers.~~

8.3 ~~(e)~~ (b) To be designated, a ~~district, charter school, or state-approved alternative~~
 8.4 program must demonstrate to the commissioner that it will:

8.5 (1) provide a program of instruction that permits pupils to receive instruction
 8.6 throughout the entire year; and

8.7 (2) develop and maintain a separate record system that, for purposes of section
 8.8 126C.05, permits identification of membership attributable to pupils participating in the
 8.9 program. The record system and identification must ensure that the program will not have
 8.10 the effect of increasing the total average daily membership attributable to an individual
 8.11 pupil as a result of a learning year program. The record system must include the date the
 8.12 pupil originally enrolled in a learning year program, the pupil's grade level, the date of
 8.13 each grade promotion, the average daily membership generated in each grade level, the
 8.14 number of credits or standards earned, and the number needed to graduate.

8.15 ~~(d)~~ (c) A student who has not completed a school district's graduation requirements
 8.16 may continue to enroll in courses the student must complete in order to graduate until
 8.17 the student satisfies the district's graduation requirements or the student is 21 years old,
 8.18 whichever comes first.

8.19 Sec. 8. Minnesota Statutes 2012, section 124D.4531, subdivision 1, is amended to read:

8.20 Subdivision 1. **Career and technical levy.** (a) A district with a career and technical
 8.21 program approved under this section for the fiscal year in which the levy is certified
 8.22 may levy an amount equal to 35 percent of approved expenditures in the fiscal year in
 8.23 which the levy is certified for the following:

8.24 (1) salaries paid to essential, licensed personnel providing direct instructional
 8.25 services to students in that fiscal year, including extended contracts, for services rendered
 8.26 in the district's approved career and technical education programs, excluding salaries
 8.27 reimbursed by another school district under clause (2);

8.28 (2) amounts paid to another Minnesota school district for salaries of essential,
 8.29 licensed personnel providing direct instructional services to students in that fiscal year for
 8.30 services rendered in the district's approved career and technical education programs;

8.31 ~~(2)~~ (3) contracted services provided by a public or private agency other than a
 8.32 Minnesota school district or cooperative center under subdivision 7;

8.33 ~~(3)~~ (4) necessary travel between instructional sites by licensed career and technical
 8.34 education personnel;

9.1 ~~(4)~~ (5) necessary travel by licensed career and technical education personnel for
 9.2 vocational student organization activities held within the state for instructional purposes;

9.3 ~~(5)~~ (6) curriculum development activities that are part of a five-year plan for
 9.4 improvement based on program assessment;

9.5 ~~(6)~~ (7) necessary travel by licensed career and technical education personnel for
 9.6 noncollegiate credit-bearing professional development; and

9.7 ~~(7)~~ (8) specialized vocational instructional supplies.

9.8 (b) Up to ten percent of a district's career and technical levy may be spent on
 9.9 equipment purchases. Districts using the career and technical levy for equipment
 9.10 purchases must report to the department on the improved learning opportunities for
 9.11 students that result from the investment in equipment.

9.12 (c) The district must recognize the full amount of this levy as revenue for the fiscal
 9.13 year in which it is certified.

9.14 (d) The amount of the levy certified under this subdivision may not exceed
 9.15 \$17,850,000 for taxes payable in 2012, \$15,520,000 for taxes payable in 2013, and
 9.16 \$15,393,000 for taxes payable in 2014.

9.17 (e) If the estimated levy exceeds the amount in paragraph (d), the commissioner
 9.18 must reduce the percentage in paragraph (a), clause (2), until the estimated levy no longer
 9.19 exceeds the limit in paragraph (d).

9.20 Sec. 9. Minnesota Statutes 2012, section 126C.01, is amended by adding a subdivision
 9.21 to read:

9.22 Subd. 3a. **Referendum market value equalizing factor.** The referendum market
 9.23 value equalizing factor equals the quotient derived by dividing the total referendum market
 9.24 value of all school districts in the state for the year before the year the levy is certified by
 9.25 the total number of resident marginal cost pupil units in the state for the current school year.

9.26 **EFFECTIVE DATE.** This section is effective for taxes payable in 2014 and later.

9.27 Sec. 10. Minnesota Statutes 2012, section 126C.05, subdivision 1, is amended to read:

9.28 Subdivision 1. **Pupil unit.** Pupil units for each Minnesota resident pupil under the
 9.29 age of 21 or who meets the requirements of section 120A.20, subdivision 1, paragraph (c),
 9.30 in average daily membership enrolled in the district of residence, in another district under
 9.31 sections 123A.05 to 123A.08, 124D.03, 124D.08, or 124D.68; in a charter school under
 9.32 section 124D.10; or for whom the resident district pays tuition under section 123A.18,
 9.33 123A.22, 123A.30, 123A.32, 123A.44, 123A.488, 123B.88, subdivision 4, 124D.04,

10.1 124D.05, 125A.03 to 125A.24, 125A.51, or 125A.65, shall be counted according to this
10.2 subdivision.

10.3 (a) A prekindergarten pupil with a disability who is enrolled in a program approved
10.4 by the commissioner and has an individualized education program is counted as the ratio
10.5 of the number of hours of assessment and education service to 825 times 1.25 with a
10.6 minimum average daily membership of 0.28, but not more than 1.25 pupil units.

10.7 (b) A prekindergarten pupil who is assessed but determined not to be disabled is
10.8 counted as the ratio of the number of hours of assessment service to 825 times 1.25.

10.9 (c) A kindergarten pupil with a disability who is enrolled in a program approved
10.10 by the commissioner is counted as the ratio of the number of hours of assessment and
10.11 education services required in the fiscal year by the pupil's individualized education
10.12 program to 875, but not more than one.

10.13 (d) A kindergarten pupil who is not included in paragraph (c) is counted as ~~.612~~
10.14 1.0 pupil units if the pupil is enrolled in a free all-day, every day kindergarten program
10.15 available to all kindergarten pupils at the pupil's school, or is counted as .612 pupil units,
10.16 if the pupil is not enrolled in a free all-day, every day kindergarten program available to all
10.17 kindergarten pupils at the pupil's school.

10.18 (e) A pupil who is in any of grades 1 to 3 is counted as 1.115 pupil units ~~for fiscal~~
10.19 ~~year 2000 and thereafter.~~

10.20 (f) A pupil who is any of grades 4 to 6 is counted as 1.06 pupil units ~~for fiscal~~
10.21 ~~year 1995 and thereafter.~~

10.22 (g) A pupil who is in any of grades 7 to 12 is counted as 1.3 pupil units.

10.23 (h) A pupil who is in the postsecondary enrollment options program is counted
10.24 as 1.3 pupil units.

10.25 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2015
10.26 and later.

10.27 Sec. 11. Minnesota Statutes 2012, section 126C.10, subdivision 1, is amended to read:

10.28 Subdivision 1. **General education revenue.** The general education revenue for
10.29 each district equals the sum of the district's basic revenue, extended time revenue, gifted
10.30 and talented revenue, small schools revenue, basic skills revenue, ~~training and experience~~
10.31 ~~revenue~~; secondary sparsity revenue, elementary sparsity revenue, transportation sparsity
10.32 revenue, total operating capital revenue, equity revenue, alternative teacher compensation
10.33 revenue, and transition revenue.

10.34 Sec. 12. Minnesota Statutes 2012, section 126C.10, subdivision 2, is amended to read:

11.1 Subd. 2. **Basic revenue.** The basic revenue for each district equals the formula
11.2 allowance times the adjusted marginal cost pupil units for the school year. ~~The formula~~
11.3 ~~allowance for fiscal year 2011 is \$5,124. The formula allowance for fiscal year 2012 is~~
11.4 ~~\$5,174. The formula allowance for fiscal year 2013 and subsequent years is \$5,224. The~~
11.5 ~~formula allowance for fiscal year 2014 is \$5,328. The formula allowance for fiscal year~~
11.6 ~~2015 and later is \$5,433.~~

11.7 Sec. 13. Minnesota Statutes 2012, section 126C.10, subdivision 14, is amended to read:

11.8 Subd. 14. **Uses of total operating capital revenue.** Total operating capital revenue
11.9 may be used only for the following purposes:

11.10 (1) to acquire land for school purposes;

11.11 (2) to acquire or construct buildings for school purposes;

11.12 (3) to rent or lease buildings, including the costs of building repair or improvement
11.13 that are part of a lease agreement;

11.14 (4) to improve and repair school sites and buildings, and equip or reequip school
11.15 buildings with permanent attached fixtures, including library media centers;

11.16 (5) for a surplus school building that is used substantially for a public nonschool
11.17 purpose;

11.18 (6) to eliminate barriers or increase access to school buildings by individuals with a
11.19 disability;

11.20 (7) to bring school buildings into compliance with the State Fire Code adopted
11.21 according to chapter 299F;

11.22 (8) to remove asbestos from school buildings, encapsulate asbestos, or make
11.23 asbestos-related repairs;

11.24 (9) to clean up and dispose of polychlorinated biphenyls found in school buildings;

11.25 (10) to clean up, remove, dispose of, and make repairs related to storing heating fuel
11.26 or transportation fuels such as alcohol, gasoline, fuel oil, and special fuel, as defined
11.27 in section 296A.01;

11.28 (11) for energy audits for school buildings and to modify buildings if the audit
11.29 indicates the cost of the modification can be recovered within ten years;

11.30 (12) to improve buildings that are leased according to section 123B.51, subdivision 4;

11.31 (13) to pay special assessments levied against school property but not to pay
11.32 assessments for service charges;

11.33 (14) to pay principal and interest on state loans for energy conservation according to
11.34 section 216C.37 or loans made under the Douglas J. Johnson Economic Protection Trust
11.35 Fund Act according to sections 298.292 to 298.298;

- 12.1 (15) to purchase or lease interactive telecommunications equipment;
- 12.2 (16) by board resolution, to transfer money into the debt redemption fund to: (i)
- 12.3 pay the amounts needed to meet, when due, principal and interest payments on certain
- 12.4 obligations issued according to chapter 475; or (ii) pay principal and interest on debt
- 12.5 service loans or capital loans according to section 126C.70;
- 12.6 (17) to pay operating capital-related assessments of any entity formed under a
- 12.7 cooperative agreement between two or more districts;
- 12.8 (18) to purchase or lease computers and related ~~materials~~ hardware, initial purchase
- 12.9 of related software, but not annual licensing fees, copying machines, telecommunications
- 12.10 equipment, and other noninstructional equipment;
- 12.11 (19) to purchase or lease assistive technology or equipment for instructional
- 12.12 programs;
- 12.13 (20) to purchase textbooks as defined in section 123B.41, subdivision 2;
- 12.14 (21) to purchase new and replacement library media resources or technology;
- 12.15 (22) to lease or purchase vehicles;
- 12.16 (23) to purchase or lease telecommunications equipment, computers, and related
- 12.17 equipment for integrated information management systems for:
- 12.18 (i) managing and reporting learner outcome information for all students under a
- 12.19 results-oriented graduation rule;
- 12.20 (ii) managing student assessment, services, and achievement information required
- 12.21 for students with individualized education programs; and
- 12.22 (iii) other classroom information management needs;
- 12.23 (24) to pay personnel costs directly related to the acquisition, operation, and
- 12.24 maintenance of telecommunications systems, computers, related equipment, and network
- 12.25 and applications software; and
- 12.26 (25) to pay the costs directly associated with closing a school facility, including
- 12.27 moving and storage costs.

12.28 Sec. 14. Minnesota Statutes 2012, section 126C.10, subdivision 24, is amended to read:

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

12.30 (1) the school district's adjusted marginal cost pupil unit amount of basic revenue,

12.31 transition revenue, and referendum revenue is less than the value of the school district at

12.32 or immediately above the 95th percentile of school districts in its equity region for those

12.33 revenue categories; and

12.34 (2) the school district's administrative offices are not located in a city of the first

12.35 class on July 1, 1999.

13.1 (b) Equity revenue for a qualifying district that receives referendum revenue under
 13.2 section 126C.17, subdivision 4, equals the product of (1) the district's adjusted marginal
 13.3 cost pupil units for that year; times (2) the sum of (i) \$13, plus (ii) \$75, times the school
 13.4 district's equity index computed under subdivision 27.

13.5 (c) Equity revenue for a qualifying district that does not receive referendum revenue
 13.6 under section 126C.17, subdivision 4, equals the product of the district's adjusted marginal
 13.7 cost pupil units for that year times \$13.

13.8 (d) A school district's equity revenue is increased by the greater of zero or an amount
 13.9 equal to the difference between \$300 times the district's resident marginal cost pupil units
 13.10 times the difference between ten percent of the statewide average and the district's amount
 13.11 of referendum revenue per resident marginal cost pupil unit for that year and the district's
 13.12 referendum revenue per resident marginal cost pupil unit. A school district's revenue
 13.13 under this paragraph must not exceed \$100,000 for that year.

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

13.16 (f) ~~For fiscal year 2007 and later, notwithstanding paragraph (a), clause (2),~~ A school
 13.17 ~~district that has per pupil referendum revenue below the 95th percentile qualifies for~~
 13.18 district's additional equity revenue equal to equals \$46 times its adjusted marginal cost
 13.19 pupil units.

13.20 (g) ~~A district that does not qualify for revenue under paragraph (f) qualifies for~~
 13.21 ~~equity revenue equal to \$46 times its adjusted marginal cost pupil units.~~

13.22 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2014
 13.23 and later.

13.24 Sec. 15. Minnesota Statutes 2012, section 126C.10, subdivision 29, is amended to read:

13.25 Subd. 29. **Equity levy.** To obtain equity revenue for fiscal year ~~2005~~ 2015 and later,
 13.26 a district may levy an amount not more than the product of its equity revenue for the fiscal
 13.27 year times the lesser of one or the ratio of its referendum market value per resident ~~marginal~~
 13.28 ~~cost~~ pupil unit to ~~\$476,000~~ 122 percent of the referendum market value equalizing factor.

13.29 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2015
 13.30 and later.

13.31 Sec. 16. Minnesota Statutes 2012, section 126C.10, subdivision 32, is amended to read:

13.32 Subd. 32. **Transition levy.** To obtain transition revenue for fiscal year ~~2005~~ 2015
 13.33 and later, a district may levy an amount not more than the product of its transition revenue

14.1 for the fiscal year times the lesser of one or the ratio of its referendum market value per
14.2 resident ~~marginal-cost~~ pupil unit to ~~\$476,000~~ 122 percent of the referendum market
14.3 value equalizing factor.

14.4 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2015
14.5 and later.

14.6 Sec. 17. Minnesota Statutes 2012, section 126C.15, subdivision 1, is amended to read:

14.7 Subdivision 1. **Use of revenue.** The basic skills revenue under section 126C.10,
14.8 subdivision 4, must be reserved and used to meet the educational needs of pupils who
14.9 enroll under-prepared to learn and whose progress toward meeting state or local content
14.10 or performance standards is below the level that is appropriate for learners of their age.
14.11 Basic skills revenue may also be used for programs designed to prepare children and their
14.12 families for entry into school whether the student first enrolls in kindergarten or first grade.

14.13 Any of the following may be provided to meet these learners' needs:

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

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

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

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

14.24 (5) comprehensive and ongoing staff development consistent with district and site
14.25 plans according to section 122A.60, for teachers, teacher aides, principals, and other
14.26 personnel to improve their ability to identify the needs of these learners and provide
14.27 appropriate remediation, intervention, accommodations, or modifications;

14.28 (6) instructional materials, digital learning, and technology appropriate for meeting
14.29 the individual needs of these learners;

14.30 (7) programs to reduce truancy, encourage completion of high school, enhance
14.31 self-concept, provide health services, provide nutrition services, provide a safe and secure
14.32 learning environment, provide coordination for pupils receiving services from other
14.33 governmental agencies, provide psychological services to determine the level of social,
14.34 emotional, cognitive, and intellectual development, and provide counseling services,
14.35 guidance services, and social work services;

- 15.1 (8) bilingual programs, bicultural programs, and programs for English learners;
- 15.2 (9) all day kindergarten;
- 15.3 (10) early education programs, parent-training programs, school readiness programs,
- 15.4 kindergarten programs for four-year-olds, voluntary home visits under section 124D.13,
- 15.5 subdivision 4, and other outreach efforts designed to prepare children for kindergarten;
- 15.6 (11) extended school day and extended school year programs; and
- 15.7 ~~(11)~~ (12) substantial parent involvement in developing and implementing remedial
- 15.8 education or intervention plans for a learner, including learning contracts between the
- 15.9 school, the learner, and the parent that establish achievement goals and responsibilities of
- 15.10 the learner and the learner's parent or guardian.

15.11 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2014

15.12 and later.

15.13 Sec. 18. Minnesota Statutes 2012, section 126C.15, subdivision 2, is amended to read:

15.14 Subd. 2. **Building allocation.** (a) A district or cooperative must allocate its

15.15 compensatory revenue to each school building in the district or cooperative where

15.16 the children who have generated the revenue are served unless the school district or

15.17 cooperative has received permission under Laws 2005, First Special Session chapter 5,

15.18 article 1, section 50, to allocate compensatory revenue according to student performance

15.19 measures developed by the school board.

15.20 (b) Notwithstanding paragraph (a), a district or cooperative may allocate up to

15.21 five percent of the amount of compensatory revenue that the district receives to school

15.22 sites according to a plan adopted by the school board, and a district or cooperative may

15.23 allocate up to an additional five percent of its compensatory revenue for activities under

15.24 subdivision 1, clause (10), according to a plan adopted by the school board. The money

15.25 reallocated under this paragraph must be spent for the purposes listed in subdivision 1, but

15.26 may be spent on students in any grade, including students attending school readiness or

15.27 other prekindergarten programs.

15.28 (c) For the purposes of this section and section 126C.05, subdivision 3, "building"

15.29 means education site as defined in section 123B.04, subdivision 1.

15.30 (d) Notwithstanding section 123A.26, subdivision 1, compensatory revenue

15.31 generated by students served at a cooperative unit shall be paid to the cooperative unit.

15.32 (e) A district or cooperative with school building openings, school building

15.33 closings, changes in attendance area boundaries, or other changes in programs or student

15.34 demographics between the prior year and the current year may reallocate compensatory

15.35 revenue among sites to reflect these changes. A district or cooperative must report to the

16.1 department any adjustments it makes according to this paragraph and the department must
 16.2 use the adjusted compensatory revenue allocations in preparing the report required under
 16.3 section 123B.76, subdivision 3, paragraph (c).

16.4 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2014
 16.5 and later.

16.6 Sec. 19. Minnesota Statutes 2012, section 126C.17, subdivision 1, is amended to read:

16.7 Subdivision 1. **Referendum allowance.** ~~(a) For fiscal year 2003 and later, a district's~~
 16.8 ~~initial referendum revenue allowance equals the sum of the allowance under section~~
 16.9 ~~126C.16, subdivision 2, plus any additional allowance per resident marginal cost pupil~~
 16.10 ~~unit authorized under subdivision 9 before May 1, 2001, for fiscal year 2002 and later,~~
 16.11 ~~plus the referendum conversion allowance approved under subdivision 13, minus \$415.~~
 16.12 ~~For districts with more than one referendum authority, the reduction must be computed~~
 16.13 ~~separately for each authority. The reduction must be applied first to the referendum~~
 16.14 ~~conversion allowance and next to the authority with the earliest expiration date. A~~
 16.15 ~~district's initial referendum revenue allowance may not be less than zero.~~

16.16 ~~(b) For fiscal year 2003, a district's referendum revenue allowance equals the initial~~
 16.17 ~~referendum allowance plus any additional allowance per resident marginal cost pupil unit~~
 16.18 ~~authorized under subdivision 9 between April 30, 2001, and December 30, 2001, for~~
 16.19 ~~fiscal year 2003 and later.~~

16.20 ~~(c) For fiscal year 2004 and later, a district's referendum revenue allowance equals~~
 16.21 ~~the sum of:~~

16.22 ~~(1) the product of (i) the ratio of the resident marginal cost pupil units the district~~
 16.23 ~~would have counted for fiscal year 2004 under Minnesota Statutes 2002, section 126C.05,~~
 16.24 ~~to the district's resident marginal cost pupil units for fiscal year 2004, times (ii) the initial~~
 16.25 ~~referendum allowance plus any additional allowance per resident marginal cost pupil unit~~
 16.26 ~~authorized under subdivision 9 between April 30, 2001, and May 30, 2003, for fiscal~~
 16.27 ~~year 2003 and later, plus~~

16.28 ~~(2) any additional allowance per resident marginal cost pupil unit authorized under~~
 16.29 ~~subdivision 9 after May 30, 2003, for fiscal year 2005 and later.~~

16.30 (a) A district's initial referendum allowance for fiscal year 2015 equals the result of
 16.31 the following calculations:

16.32 (1) multiply the referendum allowance the district would have received for fiscal
 16.33 year 2015 under Minnesota Statutes 2012, section 126C.17, subdivision 1, based on
 16.34 elections held before July 1, 2013, by the resident marginal cost pupil units the district
 16.35 would have counted for fiscal year 2015 under Minnesota Statutes 2012, section 126C.05;

17.1 (2) divide the result of clause (1) by the district's residential marginal cost pupil units
 17.2 for fiscal year 2015; and

17.3 (3) if the result of clause (2) is less than zero, set the allowance to zero.

17.4 (b) A district's referendum allowance equals the sum of the district's initial
 17.5 referendum allowance for fiscal year 2015, plus any additional referendum allowance per
 17.6 resident marginal cost pupil unit authorized after June 30, 2013, minus any allowances
 17.7 expiring in fiscal year 2016 or later.

17.8 **EFFECTIVE DATE.** This section is effective for fiscal year 2015 and later.

17.9 Sec. 20. Minnesota Statutes 2012, section 126C.17, subdivision 5, is amended to read:

17.10 Subd. 5. **Referendum equalization revenue.** (a) ~~For fiscal year 2003 and later,~~
 17.11 A district's referendum equalization revenue equals the sum of the first tier referendum
 17.12 equalization revenue and the second tier referendum equalization revenue.

17.13 (b) A district's first tier referendum equalization revenue equals the district's first
 17.14 tier referendum equalization allowance times the district's resident marginal cost pupil
 17.15 units for that year.

17.16 (c) ~~For fiscal year 2006, a district's first tier referendum equalization allowance~~
 17.17 ~~equals the lesser of the district's referendum allowance under subdivision 1 or \$500. For~~
 17.18 ~~fiscal year 2007, a district's first tier referendum equalization allowance equals the lesser~~
 17.19 ~~of the district's referendum allowance under subdivision 1 or \$600.~~

17.20 ~~For fiscal year 2008 and later,~~ A district's first tier referendum equalization allowance
 17.21 equals the lesser of the district's referendum allowance under subdivision 1 or \$700.

17.22 (d) A district's second tier referendum equalization revenue equals the district's
 17.23 second tier referendum equalization allowance times the district's resident marginal cost
 17.24 pupil units for that year.

17.25 (e) ~~For fiscal year 2006, a district's second tier referendum equalization allowance~~
 17.26 ~~equals the lesser of the district's referendum allowance under subdivision 1 or 18.6 percent~~
 17.27 ~~of the formula allowance, minus the district's first tier referendum equalization allowance.~~

17.28 ~~For fiscal year 2007 and later,~~ A district's second tier referendum equalization allowance
 17.29 equals the lesser of the district's referendum allowance under subdivision 1 or 26 percent
 17.30 of the formula allowance, minus the district's first tier referendum equalization allowance.

17.31 (f) Notwithstanding paragraph (e), the second tier referendum allowance for a
 17.32 district qualifying for secondary sparsity revenue under section 126C.10, subdivision 7, or
 17.33 elementary sparsity revenue under section 126C.10, subdivision 8, equals the district's
 17.34 referendum allowance under subdivision 1 minus the district's first tier referendum
 17.35 equalization allowance.

18.1 Sec. 21. Minnesota Statutes 2012, section 126C.17, subdivision 6, is amended to read:

18.2 Subd. 6. **Referendum equalization levy.** (a) ~~For fiscal year 2003 and later,~~

18.3 A district's referendum equalization levy equals the sum of the first tier referendum
18.4 equalization levy and the second tier referendum equalization levy.

18.5 (b) A district's first tier referendum equalization levy equals the district's first tier
18.6 referendum equalization revenue times the lesser of one or the ratio of the district's
18.7 referendum market value per resident marginal cost pupil unit to ~~\$476,000~~ 122 percent of
18.8 the referendum market value equalizing factor.

18.9 (c) A district's second tier referendum equalization levy equals the district's second
18.10 tier referendum equalization revenue times the lesser of one or the ratio of the district's
18.11 referendum market value per resident marginal cost pupil unit to ~~\$270,000~~ 66 percent of
18.12 the referendum market value equalizing factor.

18.13 **EFFECTIVE DATE.** This section is effective for fiscal year 2015 and later.

18.14 Sec. 22. Minnesota Statutes 2012, section 126C.40, subdivision 6, is amended to read:

18.15 Subd. 6. **Lease purchase; installment buys.** (a) Upon application to, and approval
18.16 by, the commissioner in accordance with the procedures and limits in subdivision 1,
18.17 paragraphs (a) and (b), a district, as defined in this subdivision, may:

18.18 (1) purchase real or personal property under an installment contract or may lease
18.19 real or personal property with an option to purchase under a lease purchase agreement, by
18.20 which installment contract or lease purchase agreement title is kept by the seller or vendor
18.21 or assigned to a third party as security for the purchase price, including interest, if any; and

18.22 (2) annually levy the amounts necessary to pay the district's obligations under the
18.23 installment contract or lease purchase agreement.

18.24 (b) The obligation created by the installment contract or the lease purchase
18.25 agreement must not be included in the calculation of net debt for purposes of section
18.26 475.53, and does not constitute debt under other law. An election is not required in
18.27 connection with the execution of the installment contract or the lease purchase agreement.

18.28 (c) The proceeds of the levy authorized by this subdivision must not be used to
18.29 acquire a facility to be primarily used for athletic or school administration purposes.

18.30 (d) For the purposes of this subdivision, "district" means:

18.31 (1) ~~a school district which is eligible for revenue under section 124D.86, subdivision~~
18.32 ~~3, clause (1), (2), or (3), and whose~~ Special School District No. 1, Minneapolis;
18.33 Independent School District No. 625, St. Paul; Independent School District No. 709,
18.34 Duluth; or Independent School District No. 535, Rochester, if the district's desegregation
18.35 plan has been determined by the commissioner to be in compliance with Department of

19.1 Education rules relating to equality of educational opportunity and school desegregation
 19.2 and, for a district eligible for revenue under section 124D.86, subdivision 3, clause (4)
 19.3 or (5), where the acquisition of property under this subdivision is determined by the
 19.4 commissioner to contribute to the implementation of the desegregation plan; or

19.5 (2) a school district that participates in a joint program for interdistrict desegregation
 19.6 with a district defined in clause (1) other districts eligible for revenue under section
 19.7 124D.861 if the facility acquired under this subdivision is to be primarily used for the a
 19.8 joint program for interdistrict desegregation and the commissioner determines that the
 19.9 joint programs are being undertaken to implement the districts' desegregation plan.

19.10 (e) Notwithstanding subdivision 1, the prohibition against a levy by a district to lease
 19.11 or rent a district-owned building to itself does not apply to levies otherwise authorized
 19.12 by this subdivision.

19.13 (f) For the purposes of this subdivision, any references in subdivision 1 to building
 19.14 or land shall include personal property.

19.15 Sec. 23. Minnesota Statutes 2012, section 126C.44, is amended to read:

19.16 **126C.44 SAFE SCHOOLS LEVY.**

19.17 (a) Each district may make a levy on all taxable property located within the district
 19.18 for the purposes specified in this section. The maximum amount which may be levied for
 19.19 all costs under this section shall be equal to ~~\$30~~ \$35 multiplied by the district's adjusted
 19.20 marginal cost pupil units for the school year. The proceeds of the levy must be reserved
 19.21 and used for directly funding the following purposes or for reimbursing the cities and
 19.22 counties who contract with the district for the following purposes:

19.23 (1) to pay the costs incurred for the salaries, benefits, and transportation costs of
 19.24 peace officers and sheriffs for liaison in services in the district's schools;

19.25 (2) to pay the costs for a drug abuse prevention program as defined in section
 19.26 609.101, subdivision 3, paragraph (e), in the elementary schools;

19.27 (3) to pay the costs for a gang resistance education training curriculum in the
 19.28 district's schools;

19.29 (4) to pay the costs for security in the district's schools and on school property;

19.30 (5) to pay the costs for other crime prevention, drug abuse, student and staff safety,
 19.31 voluntary opt-in suicide prevention tools, and violence prevention measures taken by
 19.32 the school district; or

19.33 (6) to pay costs for licensed school counselors, licensed school nurses, licensed
 19.34 school social workers, licensed school psychologists, and licensed alcohol and chemical
 19.35 dependency counselors to help provide early responses to problems;

20.1 (7) to pay for facility security enhancements including laminated glass, public
 20.2 announcement systems, emergency communications devices, and equipment and facility
 20.3 modifications related to violence prevention and facility security;

20.4 (8) to pay for costs associated with improving the school climate; or

20.5 (9) to pay costs associated with mental health services.

20.6 (b) For expenditures under paragraph (a), clause (1), the district must initially
 20.7 attempt to contract for services to be provided by peace officers or sheriffs with the
 20.8 police department of each city or the sheriff's department of the county within the district
 20.9 containing the school receiving the services. If a local police department or a county
 20.10 sheriff's department does not wish to provide the necessary services, the district may
 20.11 contract for these services with any other police or sheriff's department located entirely or
 20.12 partially within the school district's boundaries.

20.13 ~~(b)~~ (c) A school district that is a member of an intermediate school district may
 20.14 include in its authority under this section the costs associated with safe schools activities
 20.15 authorized under paragraph (a) for intermediate school district programs. This authority
 20.16 must not exceed \$10 times the adjusted marginal cost pupil units of the member districts.
 20.17 This authority is in addition to any other authority authorized under this section. Revenue
 20.18 raised under this paragraph must be transferred to the intermediate school district.

20.19 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2015
 20.20 and later.

20.21 Sec. 24. Minnesota Statutes 2012, section 126C.48, subdivision 8, is amended to read:

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

20.24 (2) Notwithstanding any other law to the contrary, districts that have revenue
 20.25 pursuant to sections 298.018; 298.225; 298.24 to 298.28, except an amount distributed
 20.26 under sections 298.26; 298.28, subdivision 4, paragraphs (c), clause (ii), and (d); 298.34
 20.27 to 298.39; 298.391 to 298.396; 298.405; 477A.15; and any law imposing a tax upon
 20.28 severed mineral values must reduce the levies authorized by this chapter and chapters
 20.29 120B, 122A, 123A, 123B, 124A, 124D, 125A, and 127A by 95 percent of the sum of the
 20.30 previous year's revenue specified under this clause and the amount attributable to the same
 20.31 production year distributed to the cities and townships within the school district under
 20.32 section 298.28, subdivision 2, paragraph (c).

20.33 (3) The amount of any voter approved referendum, facilities down payment, and
 20.34 debt levies shall not be reduced by more than 50 percent under this subdivision. In
 20.35 administering this paragraph, the commissioner shall first reduce the nonvoter approved

21.1 levies of a district; then, if any payments, severed mineral value tax revenue or recognized
 21.2 revenue under paragraph (2) remains, the commissioner shall reduce any voter approved
 21.3 referendum levies authorized under section 126C.17; then, if any payments, severed
 21.4 mineral value tax revenue or recognized revenue under paragraph (2) remains, the
 21.5 commissioner shall reduce any voter approved facilities down payment levies authorized
 21.6 under section 123B.63 and then, if any payments, severed mineral value tax revenue or
 21.7 recognized revenue under paragraph (2) remains, the commissioner shall reduce any
 21.8 voter approved debt levies.

21.9 (4) Before computing the reduction pursuant to this subdivision of the health and
 21.10 safety levy authorized by sections 123B.57 and 126C.40, subdivision 5, the commissioner
 21.11 shall ascertain from each affected school district the amount it proposes to levy under
 21.12 each section or subdivision. The reduction shall be computed on the basis of the amount
 21.13 so ascertained.

21.14 (5) To the extent the levy reduction calculated under paragraph (2) exceeds the
 21.15 limitation in paragraph (3), an amount equal to the excess must be distributed from the
 21.16 school district's distribution under sections 298.225, 298.28, and 477A.15 in the following
 21.17 year to the cities and townships within the school district in the proportion that their
 21.18 taxable net tax capacity within the school district bears to the taxable net tax capacity of
 21.19 the school district for property taxes payable in the year prior to distribution. No city or
 21.20 township shall receive a distribution greater than its levy for taxes payable in the year prior
 21.21 to distribution. The commissioner of revenue shall certify the distributions of cities and
 21.22 towns under this paragraph to the county auditor by September 30 of the year preceding
 21.23 distribution. The county auditor shall reduce the proposed and final levies of cities and
 21.24 towns receiving distributions by the amount of their distribution. Distributions to the cities
 21.25 and towns shall be made at the times provided under section 298.27.

21.26 **EFFECTIVE DATE.** This section is effective for levies certified in 2014 and later.

21.27 Sec. 25. Minnesota Statutes 2012, section 127A.47, subdivision 7, is amended to read:

21.28 Subd. 7. **Alternative attendance programs.** (a) The general education aid and
 21.29 special education aid for districts must be adjusted for each pupil attending a nonresident
 21.30 district under sections 123A.05 to 123A.08, 124D.03, 124D.08, and 124D.68. The
 21.31 adjustments must be made according to this subdivision.

21.32 (a) (b) General education aid paid to a resident district must be reduced by an amount
 21.33 equal to the referendum equalization aid attributable to the pupil in the resident district.

21.34 (b) (c) General education aid paid to a district serving a pupil in programs listed in
 21.35 this subdivision must be increased by an amount equal to the greater of (1) the referendum

22.1 equalization aid attributable to the pupil in the nonresident district; or (2) the product of
 22.2 the district's open enrollment concentration index, the maximum amount of referendum
 22.3 revenue in the first tier, and the district's net open enrollment pupil units for that year. A
 22.4 district's open enrollment concentration index equals the greater of: (i) zero, or (ii) the
 22.5 lesser of 1.0, or the difference between the district's ratio of open enrollment pupil units
 22.6 served to its resident pupil units for that year and 0.2. This clause does not apply to a
 22.7 school district where more than 50 percent of the open enrollment students are enrolled
 22.8 solely in online learning courses.

22.9 (e) ~~(d)~~ If the amount of the reduction to be made from the general education aid of
 22.10 the resident district is greater than the amount of general education aid otherwise due the
 22.11 district, the excess reduction must be made from other state aids due the district.

22.12 ~~(d) For fiscal year 2006, the district of residence must pay tuition to a district or an~~
 22.13 ~~area learning center, operated according to paragraph (f), providing special instruction and~~
 22.14 ~~services to a pupil with a disability, as defined in section 125A.02, or a pupil, as defined in~~
 22.15 ~~section 125A.51, who is enrolled in a program listed in this subdivision. The tuition must~~
 22.16 ~~be equal to (1) the actual cost of providing special instruction and services to the pupil,~~
 22.17 ~~including a proportionate amount for special transportation and unreimbursed building~~
 22.18 ~~lease and debt service costs for facilities used primarily for special education, minus (2)~~
 22.19 ~~if the pupil receives special instruction and services outside the regular classroom for~~
 22.20 ~~more than 60 percent of the school day, the amount of general education revenue and~~
 22.21 ~~referendum aid attributable to that pupil for the portion of time the pupil receives special~~
 22.22 ~~instruction and services outside of the regular classroom, excluding portions attributable to~~
 22.23 ~~district and school administration, district support services, operations and maintenance,~~
 22.24 ~~capital expenditures, and pupil transportation, minus (3) special education aid attributable~~
 22.25 ~~to that pupil, that is received by the district providing special instruction and services.~~
 22.26 ~~For purposes of this paragraph, general education revenue and referendum equalization~~
 22.27 ~~aid attributable to a pupil must be calculated using the serving district's average general~~
 22.28 ~~education revenue and referendum equalization aid per adjusted pupil unit.~~

22.29 (e) ~~For fiscal year 2007 and later, special education aid paid to a resident district must~~
 22.30 ~~be reduced by an amount equal to~~ For purposes of this subdivision, the "unreimbursed
 22.31 cost of providing special education and services" means the difference between: (1) the
 22.32 actual cost of providing special instruction and services, including special transportation
 22.33 and unreimbursed building lease and debt service costs for facilities used primarily for
 22.34 special education, for a pupil with a disability, as defined in section 125A.02, or a pupil, as
 22.35 defined in section 125A.51, who is enrolled in a program listed in this subdivision, minus
 22.36 (2) if the pupil receives special instruction and services outside the regular classroom for

23.1 more than 60 percent of the school day, the amount of general education revenue and
23.2 referendum equalization aid attributable to that pupil for the portion of time the pupil
23.3 receives special instruction and services outside of the regular classroom, excluding
23.4 portions attributable to district and school administration, district support services,
23.5 operations and maintenance, capital expenditures, and pupil transportation, minus (3)
23.6 special education aid under section 125A.76 attributable to that pupil, that is received by
23.7 the district providing special instruction and services. For purposes of this paragraph,
23.8 general education revenue and referendum equalization aid attributable to a pupil must be
23.9 calculated using the serving district's average general education revenue and referendum
23.10 equalization aid per adjusted pupil unit.

23.11 (f) For fiscal year 2015 and later, special education aid paid to a resident district
23.12 must be reduced by an amount equal to 90 percent of the unreimbursed cost of providing
23.13 special education and services.

23.14 (g) Notwithstanding paragraph (f), special education aid paid to a resident district
23.15 must be reduced by an amount equal to 100 percent of the unreimbursed cost of special
23.16 education and services provided to students at an intermediate district, cooperative, or
23.17 charter school where the percent of students eligible for special education services is at
23.18 least 70 percent of the charter school's total enrollment.

23.19 (h) Special education aid paid to the district or cooperative providing special
23.20 instruction and services for the pupil, or to the fiscal agent district for a cooperative,
23.21 must be increased by the amount of the reduction in the aid paid to the resident district
23.22 under paragraphs (f) and (g). If the resident district's special education aid is insufficient
23.23 to make the full adjustment, the remaining adjustment shall be made to other state aids
23.24 due to the district.

23.25 (f) (i) An area learning center operated by a service cooperative, intermediate
23.26 district, education district, or a joint powers cooperative may elect through the action of
23.27 the constituent boards to charge the resident district tuition for pupils rather than to have
23.28 the general education revenue paid to a fiscal agent school district. Except as provided in
23.29 paragraph ~~(d)~~ or (e), the district of residence must pay tuition equal to at least 90 percent
23.30 of the district average general education revenue per pupil unit minus an amount equal to
23.31 the product of the formula allowance according to section 126C.10, subdivision 2, times
23.32 .0485, calculated without compensatory revenue and transportation sparsity revenue,
23.33 times the number of pupil units for pupils attending the area learning center.

23.34 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2015
23.35 and later.

24.1 **Sec. 26. EQUITY AID; FISCAL YEAR 2014.**

24.2 For fiscal year 2014 only, the commissioner must calculate and pay to school
 24.3 districts in state aid the difference between the equity revenue actually received under
 24.4 Minnesota Statutes, section 126C.10, and the amount the district would have received
 24.5 under Minnesota Statutes 2012, section 126C.10.

24.6 **Sec. 27. APPROPRIATIONS.**

24.7 Subdivision 1. **Department of Education.** The sums indicated in this section are
 24.8 appropriated from the general fund to the Department of Education for the fiscal years
 24.9 designated.

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

24.12 \$ 6,092,415,000 2014

24.13 \$ 6,440,890,000 2015

24.14 The 2014 appropriation includes \$781,842,000 for 2013 and \$5,310,573,000 for
 24.15 2014.

24.16 The 2015 appropriation includes \$808,460,000 for 2014 and \$5,632,430,000 for
 24.17 2015.

24.18 Subd. 3. **Enrollment options transportation.** For transportation of pupils attending
 24.19 postsecondary institutions under Minnesota Statutes, section 124D.09, or for transportation
 24.20 of pupils attending nonresident districts under Minnesota Statutes, section 124D.03:

24.21 \$ 44,000 2014

24.22 \$ 48,000 2015

24.23 Subd. 4. **Abatement revenue.** For abatement aid under Minnesota Statutes, section
 24.24 127A.49:

24.25 \$ 2,747,000 2014

24.26 \$ 3,136,000 2015

24.27 The 2014 appropriation includes \$301,000 for 2013 and \$2,446,000 for 2014.

24.28 The 2015 appropriation includes \$385,000 for 2014 and \$2,751,000 for 2015.

24.29 Subd. 5. **Consolidation transition.** For districts consolidating under Minnesota
 24.30 Statutes, section 123A.485:

24.31 \$ 472,000 2014

24.32 \$ 480,000 2015

25.1 The 2014 appropriation includes \$40,000 for 2013 and \$432,000 for 2014.

25.2 The 2015 appropriation includes \$68,000 for 2014 and \$412,000 for 2015.

25.3 Subd. 6. **Nonpublic pupil education aid.** For nonpublic pupil education aid under
 25.4 Minnesota Statutes, sections 123B.40 to 123B.43 and 123B.87:

25.5 \$ 15,660,000 2014

25.6 \$ 16,324,000 2015

25.7 The 2014 appropriation includes \$2,099,000 for 2013 and \$13,561,000 for 2014.

25.8 The 2015 appropriation includes \$2,121,000 for 2014 and \$14,203,000 for 2015.

25.9 Subd. 7. **Nonpublic pupil transportation.** For nonpublic pupil transportation aid
 25.10 under Minnesota Statutes, section 123B.92, subdivision 9:

25.11 \$ 18,656,000 2014

25.12 \$ 19,127,000 2015

25.13 The 2014 appropriation includes \$2,668,000 for 2013 and \$15,988,000 for 2014.

25.14 The 2015 appropriation includes \$2,501,000 for 2014 and \$16,626,000 for 2015.

25.15 Subd. 8. **One-room schoolhouse.** For a grant to Independent School District No.
 25.16 690, Warroad, to operate the Angle Inlet School:

25.17 \$ 65,000 2014

25.18 \$ 65,000 2015

25.19 Subd. 9. **Compensatory revenue pilot program.** For grants for participation in the
 25.20 compensatory revenue pilot program under Laws 2005, First Special Session chapter 5,
 25.21 article 1, section 50:

25.22 \$ 2,325,000 2014

25.23 \$ 2,325,000 2015

25.24 Of this amount, \$1,500,000 each year is for a grant to Independent School District
 25.25 No. 11, Anoka-Hennepin; \$75,000 each year is for a grant to Independent School District
 25.26 No. 286, Brooklyn Center; \$210,000 each year is for a grant to Independent School
 25.27 District No. 279, Osseo; \$160,000 each year is for a grant to Independent School District
 25.28 No. 281, Robbinsdale; \$165,000 each year is for a grant to Independent School District
 25.29 No. 535, Rochester; \$65,000 each year is for a grant to Independent School District No.
 25.30 833, South Washington County; and \$150,000 each year is for a grant to Independent
 25.31 School District No. 241, Albert Lea.

25.32 If a grant to a specific school district is not awarded, the commissioner may increase
 25.33 the aid amounts to any of the remaining participating school districts.

25.34 This appropriation is part of the base budget for subsequent fiscal years.

26.1 Sec. 28. **REPEALER.**

26.2 Minnesota Statutes 2012, section 126C.17, subdivision 13, is repealed July 1, 2013.

26.3 **ARTICLE 2**

26.4 **STUDENT ACCOUNTABILITY**

26.5 Section 1. **[120B.018] DEFINITIONS.**

26.6 Subdivision 1. **Scope.** The definitions in this section apply to this chapter.

26.7 Subd. 2. **Academic standard.** "Academic standard" means a summary description
 26.8 of student learning in a required content area under section 120B.021 or elective content
 26.9 area under section 120B.022.

26.10 Subd. 3. **Career and college ready benchmark.** "Career and college ready
 26.11 benchmark" means specific knowledge or skill that a student must attain to complete part
 26.12 of an academic standard.

26.13 Subd. 4. **Credit.** "Credit" means the determination by the local school district that a
 26.14 student successfully completed an academic year of study or demonstrated attainment of
 26.15 applicable subject matter.

26.16 Subd. 5. **Elective standard.** "Elective standard" means a locally adopted
 26.17 expectation for student learning in career and technical education or world languages.

26.18 Subd. 6. **Required standard.** "Required standard" means (1) a statewide adopted
 26.19 expectation for student learning in the content areas of language arts, mathematics,
 26.20 science, social studies, physical education, and the arts or (2) a locally adopted expectation
 26.21 for student learning in health or the arts.

26.22 Subd. 7. **School site.** "School site" means a separate facility, or a separate program
 26.23 within a facility that a local school board recognizes as a school site for funding purposes.

26.24 Sec. 2. Minnesota Statutes 2012, section 120B.02, is amended to read:

26.25 **120B.02 EDUCATIONAL EXPECTATIONS AND GRADUATION**
 26.26 **REQUIREMENTS FOR MINNESOTA'S STUDENTS.**

26.27 Subdivision 1. **Educational expectations.** (a) The legislature is committed to
 26.28 establishing rigorous academic standards for Minnesota's public school students. To
 26.29 that end, the commissioner shall adopt in rule statewide academic standards. The
 26.30 commissioner shall not prescribe in rule or otherwise the delivery system, classroom
 26.31 assessments, or form of instruction that school sites must use. ~~For purposes of this chapter,~~
 26.32 ~~a school site is a separate facility, or a separate program within a facility that a local school~~
 26.33 ~~board recognizes as a school site for funding purposes.~~

26.34 (b) All commissioner actions regarding the rule must be premised on the following:

27.1 (1) the rule is intended to raise academic expectations for students, teachers, and
27.2 schools;

27.3 (2) any state action regarding the rule must evidence consideration of school district
27.4 autonomy; and

27.5 (3) the Department of Education, with the assistance of school districts, must make
27.6 available information about all state initiatives related to the rule to students and parents,
27.7 teachers, and the general public in a timely format that is appropriate, comprehensive, and
27.8 readily understandable.

27.9 ~~(e) When fully implemented, the requirements for high school graduation in~~
27.10 ~~Minnesota must require students to satisfactorily complete, as determined by the school~~
27.11 ~~district, the course credit requirements under section 120B.024, all state academic~~
27.12 ~~standards or local academic standards where state standards do not apply, and successfully~~
27.13 ~~pass graduation examinations as required under section 120B.30.~~

27.14 ~~(d)~~ (c) The commissioner shall periodically review and report on the state's
27.15 assessment process.

27.16 ~~(e)~~ (d) School districts are not required to adopt specific provisions of the federal
27.17 School-to-Work programs.

27.18 Subd. 2. **Graduation requirements.** To graduate from high school, students must
27.19 demonstrate to their enrolling school district or school their satisfactory completion of the
27.20 credit requirements under section 120B.024 and their attainment of academic standards
27.21 and career and college readiness benchmarks on a nationally normed college entrance
27.22 exam under section 120B.30. A school district must adopt graduation requirements that
27.23 meet or exceed state graduation requirements established in law or rule.

27.24 **EFFECTIVE DATE.** This section is effective August 1, 2013, and applies to
27.25 students entering grade 8 in the 2013-2014 school year and later.

27.26 Sec. 3. Minnesota Statutes 2012, section 120B.021, subdivision 1, is amended to read:

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

27.29 (1) language arts;

27.30 (2) mathematics;

27.31 (3) science;

27.32 (4) social studies, including history, geography, economics, and government and
27.33 citizenship;

27.34 (5) physical education;

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

28.1 (7) the arts, for which statewide or locally developed academic standards apply, as
 28.2 determined by the school district. Public elementary and middle schools must offer at least
 28.3 three and require at least two of the following four arts areas: dance; music; theater; and
 28.4 visual arts. Public high schools must offer at least three and require at least one of the
 28.5 following five arts areas: media arts; dance; music; theater; and visual arts.

28.6 ~~The commissioner must submit proposed standards in science and social studies to~~
 28.7 ~~the legislature by February 1, 2004.~~

28.8 (b) For purposes of applicable federal law, the academic standards for language arts,
 28.9 mathematics, and science apply to all public school students, except the very few students
 28.10 with extreme cognitive or physical impairments for whom an individualized education
 28.11 program team has determined that the required academic standards are inappropriate. An
 28.12 individualized education program team that makes this determination must establish
 28.13 alternative standards.

28.14 ~~A school district, no later than the 2007-2008 school year, must adopt graduation~~
 28.15 ~~requirements that meet or exceed state graduation requirements established in law or rule.~~
 28.16 ~~A school district that incorporates these state graduation requirements before the 2007-2008~~
 28.17 ~~school year must provide students who enter the 9th grade in or before the 2003-2004~~
 28.18 ~~school year the opportunity to earn a diploma based on existing locally established~~
 28.19 ~~graduation requirements in effect when the students entered the 9th grade. (c) District~~
 28.20 ~~efforts to develop, implement, or improve instruction or curriculum as a result of the~~
 28.21 ~~provisions of this section must be consistent with sections 120B.10, 120B.11, and 120B.20.~~

28.22 ~~The commissioner must include the contributions of Minnesota American Indian~~
 28.23 ~~tribes and communities as they relate to the academic standards during the review and~~
 28.24 ~~revision of the required academic standards.~~

28.25 Sec. 4. Minnesota Statutes 2012, section 120B.023, is amended to read:

28.26 **120B.023 BENCHMARKS.**

28.27 Subdivision 1. **Benchmarks implement, supplement statewide academic**
 28.28 **standards.** (a) The commissioner must supplement required state academic standards with
 28.29 grade-level benchmarks. High school career and college ready benchmarks may cover
 28.30 more than one grade. ~~The benchmarks must implement statewide academic standards~~
 28.31 ~~by specifying the academic knowledge and skills that Schools must offer and students~~
 28.32 ~~must achieve all benchmarks for an academic standard to satisfactorily complete a that~~
 28.33 ~~state standard. The commissioner must publish benchmarks to inform and guide parents,~~
 28.34 ~~teachers, school districts, and other interested persons and to use in developing tests~~
 28.35 ~~consistent with the benchmarks.~~

29.1 (b) The commissioner shall publish benchmarks in the State Register and transmit
29.2 the benchmarks in any other manner that informs and guides parents, teachers, school
29.3 districts, and other interested persons and makes them accessible to the general public. The
29.4 commissioner must use benchmarks in developing career and college readiness assessments
29.5 under section 120B.30. The commissioner may charge a reasonable fee for publications.

29.6 (c) Once established, the commissioner may change the benchmarks only with
29.7 specific legislative authorization and after completing a review under subdivision 2.

29.8 ~~(d) The commissioner must develop and implement a system for reviewing each~~
29.9 ~~of the required academic standards and related benchmarks and elective standards on a~~
29.10 ~~periodic cycle, consistent with subdivision 2.~~

29.11 ~~(e)~~ (d) The benchmarks are not subject to chapter 14 and section 14.386 does not
29.12 apply.

29.13 Subd. 2. **Revisions and reviews required.** (a) The commissioner of education must
29.14 revise and appropriately embed technology and information literacy standards consistent
29.15 with recommendations from school media specialists into the state's academic standards
29.16 and graduation requirements and implement a review six-year cycle for to review and
29.17 revise state academic standards and related benchmarks, consistent with this subdivision.
29.18 During each six-year review and revision cycle, the commissioner also must examine the
29.19 alignment of each required academic standard and related benchmark with the knowledge
29.20 and skills students need for career and college readiness and advanced work in the
29.21 particular subject area. The commissioner must include the contributions of Minnesota
29.22 American Indian tribes and communities as related to the academic standards during the
29.23 review and revision of the required academic standards.

29.24 ~~(b) The commissioner in the 2006-2007 school year must revise and align the state's~~
29.25 ~~academic standards and high school graduation requirements in mathematics to require~~
29.26 ~~that students satisfactorily complete the revised mathematics standards, beginning in the~~
29.27 ~~2010-2011 school year. Under the revised standards:~~

29.28 ~~(1) students must satisfactorily complete an algebra I credit by the end of eighth~~
29.29 ~~grade; and~~

29.30 ~~(2) students scheduled to graduate in the 2014-2015 school year or later must~~
29.31 ~~satisfactorily complete an algebra II credit or its equivalent.~~

29.32 (b) The commissioner also must ensure that the statewide mathematics assessments
29.33 administered to students in grades 3 through 8 and 11 are aligned with the state academic
29.34 standards in mathematics, consistent with section 120B.30, subdivision 1, paragraph

29.35 (b). The commissioner must implement a review of the academic standards and related
29.36 benchmarks in mathematics beginning in the 2015-2016 school year.

30.1 ~~(c) The commissioner in the 2007-2008 school year must revise and align the state's~~
30.2 ~~academic standards and high school graduation requirements in the arts to require that~~
30.3 ~~students satisfactorily complete the revised arts standards beginning in the 2010-2011~~
30.4 ~~school year. The commissioner must implement a review of the academic standards and~~
30.5 ~~related benchmarks in arts beginning in the 2016-2017 school year.~~

30.6 ~~(d) The commissioner in the 2008-2009 school year must revise and align the state's~~
30.7 ~~academic standards and high school graduation requirements in science to require that~~
30.8 ~~students satisfactorily complete the revised science standards, beginning in the 2011-2012~~
30.9 ~~school year. Under the revised standards, students scheduled to graduate in the 2014-2015~~
30.10 ~~school year or later must satisfactorily complete a chemistry or physics credit or a career~~
30.11 ~~and technical education credit that meets standards underlying the chemistry, physics,~~
30.12 ~~or biology credit or a combination of those standards approved by the district. The~~
30.13 ~~commissioner must implement a review of the academic standards and related benchmarks~~
30.14 ~~in science beginning in the 2017-2018 school year.~~

30.15 ~~(e) The commissioner in the 2009-2010 school year must revise and align the state's~~
30.16 ~~academic standards and high school graduation requirements in language arts to require~~
30.17 ~~that students satisfactorily complete the revised language arts standards beginning in the~~
30.18 ~~2012-2013 school year. The commissioner must implement a review of the academic~~
30.19 ~~standards and related benchmarks in language arts beginning in the 2018-2019 school year.~~

30.20 (f) The commissioner in the 2010-2011 school year must revise and align the state's
30.21 academic standards and high school graduation requirements in social studies to require
30.22 that students satisfactorily complete the revised social studies standards beginning in the
30.23 2013-2014 school year. The commissioner must implement a review of the academic
30.24 standards and related benchmarks in social studies beginning in the 2019-2020 school year.

30.25 (g) School districts and charter schools must revise and align local academic
30.26 standards and high school graduation requirements in health, world languages, and career
30.27 and technical education to require students to complete the revised standards beginning
30.28 in a school year determined by the school district or charter school. School districts and
30.29 charter schools must formally establish a periodic review cycle for the academic standards
30.30 and related benchmarks in health, world languages, and career and technical education.

30.31 Sec. 5. Minnesota Statutes 2012, section 120B.024, is amended to read:

30.32 **120B.024 GRADUATION REQUIREMENTS; COURSE CREDITS.**

30.33 Subdivision 1. Graduation requirements. (a) Students beginning 9th grade in the
30.34 2011-2012 school year and later must successfully complete the following high school
30.35 level course credits for graduation:

31.1 (1) four credits of language arts sufficient to satisfy all of the academic standards
 31.2 in English language arts;

31.3 (2) three credits of mathematics, ~~encompassing at least algebra, geometry, statistics,~~
 31.4 ~~and probability~~ including an algebra II credit or its equivalent, sufficient to satisfy all of
 31.5 the academic standard standards in mathematics;

31.6 (3) an algebra I credit by the end of grade 8 sufficient to satisfy all of the grade 8
 31.7 standards in mathematics;

31.8 ~~(3)~~ (4) three credits of science, including at least: (i) one credit in biology; and (ii)
 31.9 one chemistry or physics credit or a career and technical education credit that meets
 31.10 standards underlying the chemistry, physics, or biology credit or a combination of those
 31.11 standards approved by the district, but meeting biology standards under this item does not
 31.12 meet the biology requirement under item (i);

31.13 ~~(4)~~ (5) three and one-half credits of social studies, encompassing at least United
 31.14 States history, geography, government and citizenship, world history, and economics ~~or~~
 31.15 ~~three credits of social studies encompassing at least United States history, geography,~~
 31.16 ~~government and citizenship, and world history, and one-half credit of economics taught in~~
 31.17 ~~a school's social studies, agriculture education, or business department~~ sufficient to satisfy
 31.18 all of the academic standards in social studies;

31.19 ~~(5)~~ (6) one credit ~~in~~ of the arts sufficient to satisfy all of the state or local academic
 31.20 standards in the arts; and

31.21 ~~(6)~~ (7) a minimum of seven elective ~~course~~ credits.

31.22 ~~A course credit is equivalent to a student successfully completing an academic~~
 31.23 ~~year of study or a student mastering the applicable subject matter, as determined by the~~
 31.24 ~~local school district.~~

31.25 Subd. 2. Credit equivalencies. (a) A one-half credit of economics taught in a
 31.26 school's agriculture education or business department may fulfill a one-half credit in
 31.27 social studies under subdivision 1, clause (5), if the credit is sufficient to satisfy all of the
 31.28 academic standards in economics.

31.29 (b) An agriculture science course may fulfill a science credit requirement other
 31.30 than the specified science credit in biology under ~~paragraph (a)~~ subdivision 1, clause
 31.31 ~~(3)~~ (4), item (i).

31.32 (c) A career and technical education course may fulfill a mathematics or arts credit
 31.33 requirement or a science credit requirement other than the specified science credit in
 31.34 biology under ~~paragraph (a)~~ subdivision 1, clause (2), (3), or (5) (4), or (6).

31.35 **EFFECTIVE DATE.** This section is effective August 1, 2013.

32.1 Sec. 6. Minnesota Statutes 2012, section 120B.125, is amended to read:

32.2 **120B.125 PLANNING FOR STUDENTS' SUCCESSFUL TRANSITION**
 32.3 **TO POSTSECONDARY EDUCATION AND EMPLOYMENT; INVOLUNTARY**
 32.4 **CAREER TRACKING PROHIBITED.**

32.5 (a) Consistent with sections 120B.128, 120B.13, 120B.131, 120B.132, 120B.14,
 32.6 120B.15, 120B.30, subdivision 1, paragraph (c), 125A.08, and other related sections,
 32.7 school districts ~~are strongly encouraged to~~, beginning in the 2013-2014 school year, must
 32.8 assist all students by no later than grade 9 to explore their college and career interests and
 32.9 aspirations and develop a plan for a smooth and successful transition to postsecondary
 32.10 education or employment. All students' plans must be designed to:

32.11 (1) provide a comprehensive academic plan for completing a college and
 32.12 career-ready curriculum premised on meeting state and local academic standards and
 32.13 developing 21st century skills such as team work, collaboration, and good work habits;

32.14 (2) emphasize academic rigor and high expectations;

32.15 (3) help students identify personal learning styles that may affect their postsecondary
 32.16 education and employment choices;

32.17 (4) help students ~~succeed at gaining gain~~ access to postsecondary education and
 32.18 career options;

32.19 (5) integrate strong academic content into career-focused courses and integrate
 32.20 relevant career-focused courses into strong academic content;

32.21 (6) help students and families identify and gain access to appropriate counseling
 32.22 and other supports and assistance that enable students to complete required coursework,
 32.23 prepare for postsecondary education and careers, and obtain information about
 32.24 postsecondary education costs and eligibility for financial aid and scholarship;

32.25 (7) help students and families identify collaborative partnerships of kindergarten
 32.26 through grade 12 schools, postsecondary institutions, economic development agencies, and
 32.27 employers that support students' transition to postsecondary education and employment
 32.28 and provide students with experiential learning opportunities; and

32.29 (8) be reviewed and revised at least annually by the student, the student's parent or
 32.30 guardian, and the school or district to ensure that the student's course-taking schedule
 32.31 keeps the student ~~"on track"~~ making adequate progress to meet state and local high school
 32.32 graduation requirements and with a reasonable chance to succeed with employment or
 32.33 postsecondary education without the need to first complete remedial course work.

32.34 (b) A school district may develop grade-level curricula or provide instruction that
 32.35 introduces students to various careers, but must not require any curriculum, instruction,

33.1 or employment-related activity that obligates an elementary or secondary student to
 33.2 involuntarily select a career, career interest, employment goals, or related job training.

33.3 ~~(e) School districts are encouraged to seek and use revenue and in-kind contributions~~
 33.4 ~~from nonstate sources and to seek administrative cost savings through innovative local~~
 33.5 ~~funding arrangements, such as the Collaboration Among Rochester Educators (CARE)~~
 33.6 ~~model for funding postsecondary enrollment options, among other sources, for purposes~~
 33.7 ~~of implementing this section.~~

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

33.9 Sec. 7. Minnesota Statutes 2012, section 120B.128, is amended to read:

33.10 **120B.128 EDUCATIONAL PLANNING AND ASSESSMENT SYSTEM**
 33.11 **(EPAS) PROGRAM.**

33.12 (a) School districts and charter schools may elect to participate in the Educational
 33.13 Planning and Assessment System (EPAS) program offered by ACT, Inc. to provide a
 33.14 longitudinal, systematic approach to student educational and career planning, assessment,
 33.15 instructional support, and evaluation. The EPAS achievement tests include English,
 33.16 reading, mathematics, science, and components on planning for high school and
 33.17 postsecondary education, interest inventory, needs assessments, and student education
 33.18 plans. These tests are linked to the ACT assessment for college admission and allow
 33.19 students, parents, teachers, and schools to determine the student's college readiness before
 33.20 grades 11 and 12.

33.21 (b) The commissioner of education shall provide ACT Explore tests for students
 33.22 in grade 8 and the ACT Plan test for students in grade 10 to assess individual student
 33.23 academic strengths and weaknesses, academic achievement and progress, higher order
 33.24 thinking skills, and college readiness.

33.25 (c) Students enrolled in grade 8 through the 2012-2013 school year who have
 33.26 not yet demonstrated proficiency on the Minnesota comprehensive assessments, the
 33.27 graduation-required assessments for diploma, or the basic skills testing requirements
 33.28 prior to high school graduation may satisfy state high school graduation requirements
 33.29 for assessments in reading, mathematics, and writing by taking the graduation-required
 33.30 assessment for diploma in reading, mathematics, or writing under Minnesota Statutes
 33.31 2012, section 120B.30, subdivision 1, paragraph (c), clauses (1) and (2), the WorkKeys
 33.32 job skills assessment, the Compass computer-adaptive college placement test, or the
 33.33 ACT assessment for college admission.

34.1 (d) The state shall pay the test costs for school districts and charter schools that
 34.2 choose to participate in the EPAS program public school students to participate in the
 34.3 assessments under this section. The commissioner shall establish an application procedure
 34.4 and a process for state payment of costs.

34.5 **EFFECTIVE DATE.** This section is effective the day following final enactment
 34.6 and applies through the 2013-2014 school year.

34.7 Sec. 8. **[120B.21] MENTAL HEALTH EDUCATION.**

34.8 School districts and charter schools are encouraged to provide mental health
 34.9 instruction for students in grades 6 through 12 aligned with local health standards and
 34.10 integrated into existing programs, curriculum, or the general school environment of a
 34.11 district or charter school. The commissioner, in consultation with the commissioner of
 34.12 human services and mental health organizations, is encouraged to provide districts and
 34.13 charter schools with:

34.14 (1) age-appropriate model learning activities for grades 6 through 12 that encompass
 34.15 the mental health components of the National Health Education Standards and the
 34.16 benchmarks developed by the department's quality teaching network in health and best
 34.17 practices in mental health education; and

34.18 (2) a directory of resources for planning and implementing age-appropriate mental
 34.19 health curriculum and instruction in grades 6 through 12.

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

34.21 Sec. 9. Minnesota Statutes 2012, section 120B.30, subdivision 1, is amended to read:

34.22 Subdivision 1. **Statewide testing.** (a) The commissioner, with advice from experts
 34.23 with appropriate technical qualifications and experience and stakeholders, consistent
 34.24 with subdivision 1a, shall include in the comprehensive assessment system, for each
 34.25 grade level to be tested, state-constructed tests developed ~~from~~ and as computer-adaptive
 34.26 reading and mathematics assessments for students that are aligned with the state's required
 34.27 academic standards under section 120B.021, include multiple choice questions, and be
 34.28 are administered annually to all students in grades 3 through 8 7. State-developed high
 34.29 school tests aligned with the state's required academic standards under section 120B.021
 34.30 and administered to all high school students in a subject other than writing must include
 34.31 multiple choice questions. The commissioner shall establish one or more months during
 34.32 which schools shall administer the tests to students each school year. ~~For students enrolled~~
 34.33 ~~in grade 8 before the 2005-2006 school year, Minnesota basic skills tests in reading,~~

35.1 ~~mathematics, and writing shall fulfill students' basic skills testing requirements for a~~
35.2 ~~passing state notation. The passing scores of basic skills tests in reading and mathematics~~
35.3 ~~are the equivalent of 75 percent correct for students entering grade 9 based on the~~
35.4 ~~first uniform test administered in February 1998. Students who have not successfully~~
35.5 ~~passed a Minnesota basic skills test by the end of the 2011-2012 school year must pass~~
35.6 ~~the graduation-required assessments for diploma under paragraph (e), except that for~~
35.7 ~~the 2012-2013 and 2013-2014 school years only, these students may satisfy the state's~~
35.8 ~~graduation test requirement for math by complying with paragraph (d), clauses (1) and~~
35.9 ~~(3) For students enrolled in grade 8 in the 2005-2006 through 2012-2013 school years,~~
35.10 ~~students' state graduation requirements include the requirements under: (i) section~~
35.11 ~~120B.128, paragraph (c); (ii) paragraph (c); or (iii) Minnesota Statutes 2012, section~~
35.12 ~~120B.30, subdivision 1, paragraph (c), clauses (1) and (2).~~

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

35.15 (1) mathematics;

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

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

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

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

35.22 (c) For students enrolled in grade 8 in the ~~2005-2006~~ 2013-2014 school year and
35.23 later, ~~only the following options shall fulfill students' state graduation test requirements,~~
35.24 ~~based on a longitudinal, systematic approach to student education and career planning,~~
35.25 ~~assessment, instructional support, and evaluation, include the following:~~

35.26 (1) ~~for reading and mathematics:~~

35.27 (i) ~~obtaining an achievement level equivalent to or greater than proficient as~~
35.28 ~~determined through a standard setting process on the Minnesota comprehensive~~
35.29 ~~assessments in grade 10 for reading and grade 11 for mathematics or achieving a passing~~
35.30 ~~score as determined through a standard setting process on the graduation-required~~
35.31 ~~assessment for diploma in grade 10 for reading and grade 11 for mathematics or~~
35.32 ~~subsequent retests;~~

35.33 (ii) ~~achieving a passing score as determined through a standard setting process~~
35.34 ~~on the state-identified language proficiency test in reading and the mathematics test for~~
35.35 ~~English learners or the graduation-required assessment for diploma equivalent of those~~
35.36 ~~assessments for students designated as English learners;~~

36.1 ~~(iii) achieving an individual passing score on the graduation-required assessment for~~
36.2 ~~diploma as determined by appropriate state guidelines for students with an individualized~~
36.3 ~~education program or 504 plan;~~

36.4 ~~(iv) obtaining achievement level equivalent to or greater than proficient as~~
36.5 ~~determined through a standard setting process on the state-identified alternate assessment~~
36.6 ~~or assessments in grade 10 for reading and grade 11 for mathematics for students with~~
36.7 ~~an individualized education program; or~~

36.8 ~~(v) achieving an individual passing score on the state-identified alternate assessment~~
36.9 ~~or assessments as determined by appropriate state guidelines for students with an~~
36.10 ~~individualized education program; and~~

36.11 ~~(2) for writing:~~

36.12 ~~(i) achieving a passing score on the graduation-required assessment for diploma;~~

36.13 ~~(ii) achieving a passing score as determined through a standard setting process on~~
36.14 ~~the state-identified language proficiency test in writing for students designated as English~~
36.15 ~~learners;~~

36.16 ~~(iii) achieving an individual passing score on the graduation-required assessment for~~
36.17 ~~diploma as determined by appropriate state guidelines for students with an individualized~~
36.18 ~~education program or 504 plan; or~~

36.19 ~~(iv) achieving an individual passing score on the state-identified alternate assessment~~
36.20 ~~or assessments as determined by appropriate state guidelines for students with an~~
36.21 ~~individualized education program.~~

36.22 (1) attainment of required academic standards and career and college readiness
36.23 benchmarks under section 120B.023 as demonstrated on a nationally normed college
36.24 entrance exam, or taking a nationally recognized armed services vocational aptitude
36.25 test at the election of the student;

36.26 (2) achievement and career and college readiness tests in mathematics, reading, and
36.27 writing, consistent with paragraph (e) and, to the extent available, to monitor students'
36.28 continuous development of and growth in requisite knowledge and skills; analyze
36.29 students' progress and performance levels, identifying students' academic strengths and
36.30 diagnosing areas where students require curriculum or instructional adjustments, targeted
36.31 interventions, or remediation; and, based on analysis of students' progress and performance
36.32 data, determine students' learning and instructional needs and the instructional tools and
36.33 best practices that support academic rigor for the student; and

36.34 (3) consistent with this paragraph and section 120B.125, age-appropriate exploration
36.35 and planning activities and career assessments to encourage students to identify personally
36.36 relevant career interests and aptitudes and help students and their families develop a

37.1 regularly reexamined transition plan for postsecondary education or employment without
37.2 need for postsecondary remediation.

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

37.6 Expectations of schools, districts, and the state for career or college readiness under
37.7 this subdivision must be comparable in rigor, clarity of purpose, and rates of student
37.8 completion. A student under clause (2) must receive targeted, relevant, academically
37.9 rigorous, and resourced instruction, which may include a targeted instruction and
37.10 intervention plan focused on improving the student's knowledge and skills in core subjects
37.11 so that the student has a reasonable chance to succeed in a career or college without need
37.12 for postsecondary remediation. Consistent with sections 120B.13, 124D.09, 124D.091,
37.13 124D.49, and related sections, an enrolling school or district must actively encourage a
37.14 student in grade 11 or 12 who is identified as academically ready for a career or college
37.15 to participate in courses and programs awarding college credit to high school students.
37.16 Students are not required to achieve a specified score or level of proficiency on an
37.17 assessment under this subdivision to graduate from high school.

37.18 ~~(d) Students enrolled in grade 8 in any school year from the 2005-2006 school~~
37.19 ~~year to the 2009-2010 school year who do not pass the mathematics graduation-required~~
37.20 ~~assessment for diploma under paragraph (c) are eligible to receive a high school diploma~~
37.21 ~~if they:~~

37.22 ~~(1) complete with a passing score or grade all state and local coursework and credits~~
37.23 ~~required for graduation by the school board granting the students their diploma;~~

37.24 ~~(2) participate in district-prescribed academic remediation in mathematics; and~~

37.25 ~~(3) fully participate in at least two retests of the mathematics GRAD test or until~~
37.26 ~~they pass the mathematics GRAD test, whichever comes first. To improve the secondary~~
37.27 and postsecondary outcomes of all students, the alignment between secondary and
37.28 postsecondary education programs and Minnesota's workforce needs, and the efficiency
37.29 and cost-effectiveness of secondary and postsecondary programs, the commissioner, after
37.30 consulting with the chancellor of the Minnesota State Colleges and Universities and using
37.31 a request for proposal process, shall contract for a series of assessments that are consistent
37.32 with this subdivision, aligned with state academic standards, and include career and
37.33 college readiness benchmarks. Mathematics, reading, and writing assessments for students
37.34 in grades 8 and 10 must be predictive of and aligned with a nationally normed assessment
37.35 for career and college readiness. This nationally recognized assessment must be a college
37.36 entrance exam and given to students in grade 11 or 12. This series of assessments must

38.1 include a college placement diagnostic exam and contain career exploration elements.
38.2 Students in grade 11 or 12 may choose to take a nationally recognized armed services
38.3 vocational aptitude test as an alternative to the college and career readiness entrance
38.4 exam under this paragraph. The commissioner and the chancellor of the Minnesota State
38.5 Colleges and Universities must collaborate in aligning instruction and assessments for
38.6 adult basic education students to provide the students with diagnostic information about
38.7 any targeted interventions they need so that they may seek postsecondary education or
38.8 employment without need for postsecondary remediation.

38.9 (1) Districts and schools, on an annual basis, must use the career exploration
38.10 elements in these assessments to help students, beginning no later than grade 9, and their
38.11 families explore and plan for postsecondary education or careers based on the students'
38.12 interests, aptitudes, and aspirations. Districts and schools must use timely regional labor
38.13 market information and partnerships, among other resources, to help students and their
38.14 families successfully develop, pursue, review, and revise an individualized plan for
38.15 postsecondary education or a career. This process must help increase students' engagement
38.16 in and connection to school, improve students' knowledge and skills, and deepen students'
38.17 understanding of career pathways as a sequence of academic and career courses that lead
38.18 to an industry-recognized credential, an associate's degree, or a bachelor's degree and are
38.19 available to all students, whatever their interests and career goals.

38.20 (2) Students who, based on their growth in academic achievement between grades 8
38.21 and 10, show adequate progress toward meeting state career and college readiness must
38.22 be given the college entrance exam part of these assessments in grade 11 or a nationally
38.23 recognized armed services vocational aptitude test. A student under this clause who
38.24 demonstrates attainment of required state academic standards, which include career and
38.25 college readiness benchmarks, on these assessments is academically ready for a career or
38.26 college and is encouraged to participate in courses and programs awarding college credit to
38.27 high school students. Such courses and programs may include sequential courses of study
38.28 within broad career areas and technical skill assessments that extend beyond course grades.

38.29 (3) All students in grade 11 not subject to clause (2) must be given the college
38.30 placement diagnostic exam so that the students, their families, the school, and the district
38.31 can use the results to diagnose areas for targeted instruction, intervention, or remediation
38.32 and improve students' knowledge and skills in core subjects sufficient for the student
38.33 to graduate and have a reasonable chance to succeed in a career or college without
38.34 remediation. These students must be given the college entrance exam part of these
38.35 assessments in grade 12 or a nationally recognized armed services vocational aptitude test.

39.1 (4) A student in clause (3) who demonstrates: (i) attainment of required state
39.2 academic standards, which include career and college readiness benchmarks, on these
39.3 assessments; (ii) attainment of career and college readiness benchmarks on the college
39.4 placement diagnostic part of these assessments; and, where applicable, (iii) successfully
39.5 completes targeted instruction, intervention, or remediation approved by the commissioner
39.6 and the chancellor of the Minnesota State Colleges and Universities after consulting with
39.7 local school officials and educators, is academically ready for a career or college and is
39.8 encouraged to participate in courses and programs awarding college credit to high school
39.9 students. Such courses and programs may include sequential courses of study within
39.10 broad career areas and technical skill assessments that extend beyond course grades.

39.11 (5) A study to determine the alignment between these assessments and state
39.12 academic standards under this chapter must be conducted. Where alignment exists, the
39.13 commissioner must seek federal approval to, and immediately upon receiving approval,
39.14 replace the federally required assessments referenced under subdivision 1a and section
39.15 120B.35, subdivision 2, with assessments under this paragraph.

39.16 (e) In developing, supporting, and improving students' academic readiness for a
39.17 career or college, schools, districts, and the state must have a continuum of empirically
39.18 derived, clearly defined benchmarks focused on students' attainment of knowledge and
39.19 skills so that students, their parents, and teachers know how well students must perform to
39.20 have a reasonable chance to succeed in a career or college without need for postsecondary
39.21 remediation. The commissioner and Minnesota's public postsecondary institutions must
39.22 ensure that the foundational knowledge and skills for students' successful performance
39.23 in postsecondary employment or education and an articulated series of possible targeted
39.24 interventions are clearly identified and satisfy Minnesota's postsecondary admissions
39.25 requirements.

39.26 (f) A school, district, or charter school must ~~place~~ record on the high school
39.27 transcript a student's ~~current pass status for each subject that has a required graduation~~
39.28 ~~assessment~~ progress toward career and college readiness.

39.29 ~~In addition,~~ (g) The school board granting the students their diplomas may formally
39.30 decide to include a notation of high achievement on the high school diplomas of those
39.31 graduating seniors who, according to established school board criteria, demonstrate
39.32 exemplary academic achievement during high school.

39.33 ~~(e)~~ (h) The 3rd through 8th 7th grade computer-adaptive assessment results and
39.34 high school test results shall be available to districts for diagnostic purposes affecting
39.35 student learning and district instruction and curriculum, and for establishing educational
39.36 accountability. The commissioner must establish empirically derived benchmarks on

40.1 adaptive assessments in grades 3 through 7 that reveal a trajectory toward career and
 40.2 college readiness. The commissioner must disseminate to the public the computer-adaptive
 40.3 assessments and high school test results upon receiving those results.

40.4 ~~(f)~~ (i) The 3rd through 8th grade grades 3 through 7 computer-adaptive assessments
 40.5 and high school tests must be aligned with state academic standards. The commissioner
 40.6 shall determine the testing process and the order of administration. The statewide results
 40.7 shall be aggregated at the site and district level, consistent with subdivision 1a.

40.8 ~~(g) In addition to the testing and reporting requirements under this section,~~ (j) The
 40.9 commissioner shall include the following components in the statewide public reporting
 40.10 system:

40.11 (1) uniform statewide testing computer-adaptive assessments of all students in
 40.12 grades 3 through 8 7 and testing at the high school level that provides appropriate,
 40.13 technically sound accommodations or alternate assessments;

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

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

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

40.22 **EFFECTIVE DATE.** This section is effective the day following final enactment
 40.23 and applies to the 2013-2014 school year and later, except that paragraph (a) applies
 40.24 the day following final enactment and the requirements for using computer-adaptive
 40.25 mathematics and reading assessments for grades 3 through 7 apply in the 2015-2016
 40.26 school year and later.

40.27 Sec. 10. Minnesota Statutes 2012, section 120B.30, subdivision 1a, is amended to read:

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

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

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

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

41.1 (4) "Above-grade level" test items contain subject area content that is above the
41.2 grade level of the student taking the assessment and is considered aligned with state
41.3 academic standards to the extent it is aligned with content represented in state academic
41.4 standards above the grade level of the student taking the assessment. Notwithstanding
41.5 the student's grade level, administering above-grade level test items to a student does not
41.6 violate the requirement that state assessments must be aligned with state standards.

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

41.13 (b) The commissioner must use fully adaptive mathematics and reading assessments
41.14 for grades 3 through 7 beginning in the 2015-2016 school year and later.

41.15 (c) For purposes of conforming with existing federal educational accountability
41.16 requirements, the commissioner must develop and implement computer-adaptive reading
41.17 and mathematics assessments for grades 3 through 8 7, state-developed high school
41.18 reading and mathematics tests aligned with state academic standards, and science
41.19 assessments under clause (2) that districts and sites must use to monitor student growth
41.20 toward achieving those standards. The commissioner must not develop statewide
41.21 assessments for academic standards in social studies, health and physical education, and
41.22 the arts. The commissioner must require:

41.23 (1) annual computer-adaptive reading and mathematics assessments in grades 3
41.24 through 8 7, and high school reading and mathematics tests; and

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

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

41.30 (1) individual student performance data and achievement reports are available within
41.31 three school days of when students take an assessment;

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

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

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

42.6 ~~(b)~~ (e) The commissioner must ensure that all statewide tests administered to
 42.7 elementary and secondary students measure students' academic knowledge and skills and
 42.8 not students' values, attitudes, and beliefs.

42.9 ~~(e)~~ (f) Reporting of assessment results must:

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

42.12 (2) include a value-added growth indicator of student achievement under section
 42.13 120B.35, subdivision 3, paragraph (b); and

42.14 ~~(3)(i) for students enrolled in grade 8 before the 2005-2006 school year, determine~~
 42.15 ~~whether students have met the state's basic skills requirements; and~~

42.16 ~~(ii) for students enrolled in grade 8 in the 2005-2006 school year and later, determine~~
 42.17 ~~whether students have met the state's academic standards.~~

42.18 ~~(d)~~ (g) Consistent with applicable federal law and ~~subdivision 1, paragraph (d),~~
 42.19 ~~clause (1),~~ the commissioner must include appropriate, technically sound accommodations
 42.20 or alternative assessments for the very few students with disabilities for whom statewide
 42.21 assessments are inappropriate and for English learners.

42.22 ~~(e)~~ (h) A school, school district, and charter school must administer statewide
 42.23 assessments under this section, as the assessments become available, to evaluate student
 42.24 proficiency progress toward career and college readiness in the context of the state's grade
 42.25 level academic standards. ~~If a state assessment is not available, a school, school district,~~
 42.26 ~~and charter school must determine locally if a student has met the required academic~~
 42.27 ~~standards.~~ A school, school district, or charter school may use a student's performance
 42.28 on a statewide assessment as one of multiple criteria to determine grade promotion or
 42.29 retention. A school, school district, or charter school may use a high school student's
 42.30 performance on a statewide assessment as a percentage of the student's final grade in a
 42.31 course, or place a student's assessment score on the student's transcript.

42.32 **EFFECTIVE DATE.** This section is effective for the 2013-2014 school year and
 42.33 later except the requirements for using computer-adaptive mathematics and reading
 42.34 assessments for grades 3 through 7 apply in the 2015-2016 school year and later.

42.35 Sec. 11. Minnesota Statutes 2012, section 120B.31, subdivision 1, is amended to read:

43.1 Subdivision 1. **Educational accountability and public reporting.** Consistent
43.2 with the direction to adopt statewide academic standards under section 120B.02, the
43.3 department, in consultation with education and other system stakeholders, must establish a
43.4 coordinated and comprehensive system of educational accountability and public reporting
43.5 that promotes greater academic achievement, preparation for higher academic education,
43.6 preparation for the world of work, citizenship ~~under sections 120B.021, subdivision 1,~~
43.7 ~~clause (4), and 120B.024, paragraph (a), clause (4),~~ and the arts.

43.8 Sec. 12. Minnesota Statutes 2012, section 120B.35, subdivision 3, is amended to read:

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

43.14 (b) The commissioner, in consultation with a stakeholder group that includes
43.15 assessment and evaluation directors and staff and researchers must implement a model
43.16 that uses a value-added growth indicator and includes criteria for identifying schools
43.17 and school districts that demonstrate medium and high growth under section 120B.299,
43.18 subdivisions 8 and 9, and may recommend other value-added measures under section
43.19 120B.299, subdivision 3. The model may be used to advance educators' professional
43.20 development and replicate programs that succeed in meeting students' diverse learning
43.21 needs. Data on individual teachers generated under the model are personnel data under
43.22 section 13.43. The model must allow users to:

43.23 (1) report student growth consistent with this paragraph; and

43.24 (2) for all student categories, report and compare aggregated and disaggregated state
43.25 growth data using the nine student categories identified under the federal 2001 No Child
43.26 Left Behind Act and two student gender categories of male and female, respectively,
43.27 following appropriate reporting practices to protect nonpublic student data.

43.28 The commissioner must report ~~separate~~ measures of student growth ~~and proficiency,~~
43.29 consistent with this paragraph.

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

43.34 (1) a preparation measure indicating the number and percentage of high school
43.35 graduates in the most recent school year who completed course work important to

44.1 preparing them for postsecondary academic and career opportunities, consistent with
44.2 the core academic subjects required for admission to Minnesota's public colleges and
44.3 universities as determined by the Office of Higher Education under chapter 136A; and

44.4 (2) a rigorous coursework measure indicating the number and percentage of high
44.5 school graduates in the most recent school year who successfully completed one or more
44.6 college-level advanced placement, international baccalaureate, postsecondary enrollment
44.7 options including concurrent enrollment, other rigorous courses of study under section
44.8 120B.021, subdivision 1a, or industry certification courses or programs.

44.9 When reporting the core measures under clauses (1) and (2), the commissioner must also
44.10 analyze and report separate categories of information using the nine student categories
44.11 identified under the federal 2001 No Child Left Behind Act and two student gender
44.12 categories of male and female, respectively, following appropriate reporting practices to
44.13 protect nonpublic student data.

44.14 (d) When reporting student performance under section 120B.36, subdivision 1, the
44.15 commissioner annually, beginning July 1, 2014, must report summary data on school
44.16 safety and students' engagement and connection at school. The summary data under this
44.17 paragraph are separate from and must not be used for any purpose related to measuring
44.18 or evaluating the performance of classroom teachers. The commissioner, in consultation
44.19 with qualified experts on student engagement and connection and classroom teachers,
44.20 must identify highly reliable variables that generate summary data under this paragraph.
44.21 The summary data may be used at school, district, and state levels only. Any data on
44.22 individuals received, collected, or created that are used to generate the summary data
44.23 under this paragraph are nonpublic data under section 13.02, subdivision 9.

44.24 (e) For purposes of statewide educational accountability, the commissioner must
44.25 identify and report measures that demonstrate the success of school districts, school sites,
44.26 charter schools, and alternative program providers in improving the graduation outcomes
44.27 of students under this paragraph. When reporting student performance under section
44.28 120B.36, subdivision 1, the commissioner, beginning July 1, 2015, must annually report
44.29 summary data on:

44.30 (1) the four- and six-year graduation rates of students throughout the state who
44.31 are identified as at risk of not graduating or off track to graduate, including students
44.32 who are eligible to participate in a program under section 123A.05 or 124D.68, among
44.33 other students; and

44.34 (2) the success that school districts, school sites, charter schools, and alternative
44.35 program providers experience in:

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

45.1 (ii) providing successful prevention and intervention strategies for at-risk students;
45.2 (iii) providing successful recuperative and recovery or reenrollment strategies for
45.3 off-track students; and
45.4 (iv) improving the graduation outcomes of at-risk and off-track students.

45.5 For purposes of this paragraph, a student who is at risk of not graduating is a student
45.6 in eighth or ninth grade who meets one or more of the following criteria: first enrolled in
45.7 an English language learners program in eighth or ninth grade and may be older than other
45.8 students enrolled in the same grade; as an eighth grader, is absent from school for at least
45.9 20 percent of the days of instruction during the school year, is two or more years older
45.10 than other students enrolled in the same grade, or fails multiple core academic courses; or
45.11 as a ninth grader, fails multiple ninth grade core academic courses in English language
45.12 arts, mathematics, science, or social studies.

45.13 For purposes of this paragraph, a student who is off track to graduate is a student
45.14 who meets one or more of the following criteria: first enrolled in an English language
45.15 learners program in high school and is older than other students enrolled in the same grade;
45.16 is a returning dropout; is 16 or 17 years old and two or more academic years off track to
45.17 graduate; is 18 years or older and two or more academic years off track to graduate; or is
45.18 18 years or older and may graduate within one school year.

45.19 **EFFECTIVE DATE.** Paragraph (e) applies to data that are collected in the
45.20 2014-2015 school year and later and reported annually beginning July 1, 2015, consistent
45.21 with the recommendations the commissioner receives from recognized and qualified
45.22 experts on improving differentiated graduation rates and establishing alternative routes to
45.23 a standard high school diploma for at-risk and off-track students.

45.24 Sec. 13. Minnesota Statutes 2012, section 120B.36, subdivision 1, is amended to read:

45.25 Subdivision 1. **School performance ~~report cards~~ reports.** (a) The commissioner
45.26 shall report student academic performance under section 120B.35, subdivision 2; the
45.27 percentages of students showing low, medium, and high growth under section 120B.35,
45.28 subdivision 3, paragraph (b); school safety and student engagement and connection
45.29 under section 120B.35, subdivision 3, paragraph (d); rigorous coursework under section
45.30 120B.35, subdivision 3, paragraph (c); the percentage of students whose progress and
45.31 performance levels are meeting career and college readiness benchmarks under section
45.32 120B.30, subdivision 1; longitudinal data on district and school progress in reducing
45.33 disparities in students' academic achievement under section 124D.861, subdivision 3; two
45.34 separate student-to-teacher ratios that clearly indicate the definition of teacher consistent
45.35 with sections 122A.06 and 122A.15 for purposes of determining these ratios; staff

46.1 characteristics excluding salaries; student enrollment demographics; district mobility; and
46.2 extracurricular activities. The report also must indicate a school's adequate yearly progress
46.3 status under applicable federal law, and must not set any designations applicable to high-
46.4 and low-performing schools due solely to adequate yearly progress status.

46.5 (b) The commissioner shall develop, annually update, and post on the department
46.6 Web site school performance ~~report cards~~ reports.

46.7 (c) The commissioner must make available performance ~~report cards~~ reports by the
46.8 beginning of each school year.

46.9 (d) A school or district may appeal its adequate yearly progress status in writing to
46.10 the commissioner within 30 days of receiving the notice of its status. The commissioner's
46.11 decision to uphold or deny an appeal is final.

46.12 (e) School performance ~~report card~~ data are nonpublic data under section 13.02,
46.13 subdivision 9, until the commissioner publicly releases the data. The commissioner shall
46.14 annually post school performance ~~report cards~~ reports to the department's public Web
46.15 site no later than September 1, except that in years when the ~~report card reflects~~ reports
46.16 reflect new performance standards, the commissioner shall post the school performance
46.17 ~~report cards~~ reports no later than October 1.

46.18 **EFFECTIVE DATE.** This section is effective for the 2013-2014 school year and
46.19 later.

46.20 Sec. 14. Minnesota Statutes 2012, section 124D.52, is amended by adding a
46.21 subdivision to read:

46.22 **Subd. 8. Standard high school diploma for adults.** (a) The commissioner shall
46.23 adopt rules for providing a standard high school diploma to adults who:

46.24 (1) are not eligible for kindergarten through grade 12 services;

46.25 (2) do not have a high school diploma; and

46.26 (3) successfully complete an adult basic education program of instruction approved
46.27 by the commissioner necessary to earn an adult high school diploma.

46.28 (b) Persons participating in an approved adult basic education program of instruction
46.29 must demonstrate proficiency in a standard set of competencies that reflect the knowledge
46.30 and skills sufficient to ensure that postsecondary programs and institutions and potential
46.31 employers regard persons with a standard high school diploma and persons with a
46.32 standard high school diploma for adults as equally well prepared and qualified graduates.
46.33 Approved adult basic education programs of instruction under this subdivision must issue
46.34 a standard high school diploma for adults who successfully demonstrate the competencies,
46.35 knowledge, and skills required by the program.

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

47.2 Sec. 15. **[126C.101] MINNESOTA'S WORLD'S BEST WORKFORCE.**

47.3 Subdivision 1. **Goals for the world's best workforce.** To create the world's best
47.4 workforce by 2027, Minnesota must strive to: close entirely the academic achievement
47.5 gap among all racial and ethnic groups of students and between students living in poverty
47.6 and students not living in poverty; achieve a 100 percent high school graduation rate;
47.7 achieve 100 percent grade-level literacy for students in third grade; and have 100 percent
47.8 of students attain career and college readiness before graduating from high school.

47.9 Subd. 2. **Strategic plans for attaining the world's best workforce.** (a) A school
47.10 board must formally develop, implement, and periodically review and, where appropriate,
47.11 revise a comprehensive, long-term strategic education and budget plan for student
47.12 achievement premised on research-based strategies and efforts required for a district and
47.13 school to make progress toward realizing the goals in subdivision 1. The strategic plan for
47.14 student achievement must identify the state, regional, and local structures and systems,
47.15 interdistrict, intradistrict, and in-school strategies, inclusive best education practices,
47.16 and collaborative partnerships with regional centers under subdivision 4, postsecondary
47.17 institutions, and local and regional business and industry to work effectively and efficiently
47.18 toward making all students part of the world's best workforce by 2027.

47.19 (b) The components of a board's plan may include: innovative and integrated
47.20 prekindergarten through grade 12 learning environments that include school enrollment
47.21 options; family engagement initiatives that involve families in their students' academic
47.22 life and career success; professional development opportunities for teachers, school
47.23 administrators, and other licensed school professionals focused on improving all students'
47.24 academic achievement and career and college readiness; increased programmatic
47.25 opportunities for all students, including historically underserved students, focused on rigor
47.26 in learning and career and college readiness, and recruitment and retention of teachers
47.27 and school administrators of diverse backgrounds. Plans must include at least formative
47.28 assessment practices, consistent with chapter 120B, and other instructional best practices
47.29 that inform cost-effective, research-based interventions, improve student achievement,
47.30 reduce disparities in students' academic performance, and foster students' career and
47.31 college readiness without need for postsecondary remediation.

47.32 (c) A regional center of excellence, upon request, must assist a school board with
47.33 developing, implementing, reviewing, or revising its education and budget plan.

47.34 Subd. 3. **Budgeting process.** (a) Beginning in the 2014-2015 school year, a school
47.35 board must hold at least one formal hearing by March 1 each year to report to the public

48.1 its progress in realizing the goals contained in its strategic plan for student achievement, to
48.2 review the plan components, and to revise the plan where appropriate. At the hearing, the
48.3 board must provide the public with longitudinal data from at least the three immediately
48.4 preceding school years demonstrating district and school progress in realizing its student
48.5 achievement goals, consistent with the measures for demonstrating progress in paragraph
48.6 (b). At least 30 days before the hearing, the board must post on the district Web site, in
48.7 an understandable, readily accessible format, up-to-date longitudinal data on district
48.8 and school progress. The district, by March 1, must submit to the commissioner and
48.9 its regional center of excellence in an electronic format the district's annual budget for
48.10 continuing to implement its strategic plan for student achievement.

48.11 (b) The longitudinal data required under paragraph (a) at least must be based on
48.12 one or more of the following measures and must report outcomes for all students and
48.13 specific groups of students identified under section 120B.35, subdivision 3: third grade
48.14 at-grade-level literacy rates; reductions in the disparity in academic achievement among
48.15 all racial and ethnic student groups and between students living in poverty and students not
48.16 living in poverty; high school graduation rates; rates for completing rigorous coursework;
48.17 rates for attaining career and college readiness; rates for receiving postsecondary credit
48.18 while enrolled in high school; students' engagement and connection in school; and rates
48.19 for awarding world language proficiency or high achievement certificates under section
48.20 120B.022, subdivision 1, paragraphs (b) and (c).

48.21 (c) For the 2013-2014 school year only, a board, after providing a 30-day notice on
48.22 the district Web site, must hold a formal hearing before March 1, 2014, to inform the
48.23 public about the content of its proposed strategic plan for student achievement under
48.24 this section. The board also must submit its proposed plan by March 1, 2014, to the
48.25 commissioner and its regional center of excellence in an electronic format.

48.26 Subd. 4. **Regional support.** (a) Regional centers of excellence are established to
48.27 assist and support school boards, districts, and schools in implementing this section. The
48.28 centers must collaborate with local and regional service cooperatives, postsecondary
48.29 institutions, integrated school districts, the department, and other interested entities to
48.30 equitably support school boards, districts, and schools throughout the region. Center
48.31 support may include assisting districts and schools with common principles of effective
48.32 practice, defining measurable education goals, implementing evidence-based practices,
48.33 engaging in data-driven decision making, providing multilayered levels of support,
48.34 supporting culturally responsive teaching and learning, aligning state and local academic
48.35 standards and career and college readiness benchmarks, and engaging parents, families,
48.36 youth, and the local community in district and school programs and activities.

49.1 (b) The department must help the regional centers of excellence meet staff, facilities,
49.2 and technical needs, provide the centers with programmatic support, and work with the
49.3 centers to establish a coherent statewide system of regional support, including consulting,
49.4 training, and technical support, to help school boards, districts, and schools effectively and
49.5 efficiently implement state and federal initiatives.

49.6 Subd. 5. **Evaluation.** (a) The commissioner and each regional center of excellence
49.7 must collaborate in evaluating the success of districts and schools in working effectively
49.8 and efficiently toward creating the world's best workforce by 2027. Where districts and
49.9 schools demonstrate effective use of resources and adequate progress toward realizing
49.10 plan goals, the commissioner and the regional centers of excellence must promote and
49.11 disseminate successful strategies to other districts and schools throughout the state.

49.12 (b) If the commissioner, in consultation with the affected regional center of
49.13 excellence, determines a district or charter school is not making adequate progress in
49.14 realizing its student achievement goals under this section, the department may reduce the
49.15 district's basic general education revenue by up to four percent per fiscal year, and transfer
49.16 that amount to the affected regional center of excellence for the center to use to assist the
49.17 district to effectively and efficiently realize its student achievement goals.

49.18 (c) If, after a district receives assistance under paragraph (b) for at least three
49.19 consecutive school years, the commissioner, in consultation with the affected regional
49.20 center of excellence and the affected district, identifies a school as persistently failing to
49.21 make adequate progress toward realizing the student achievement goals contained in
49.22 the strategic plan, the commissioner may require the school to implement a turnaround
49.23 strategy to improve the school's ability to effectively and efficiently realize those goals.

49.24 **EFFECTIVE DATE.** This section is effective for fiscal year 2014 and later.

49.25 Sec. 16. **STATEWIDE ASSESSMENT AND ACCOUNTABILITY; TRANSITION.**

49.26 Notwithstanding other law to the contrary, students enrolled in grade 8 in the
49.27 2005-2006 through 2012-2013 school years are eligible to be assessed under the amended
49.28 provisions of Minnesota Statutes, section 120B.30, subdivision 1, to the extent such
49.29 assessments are available, under Minnesota Statutes, section 120B.128, paragraph (c), or
49.30 under Minnesota Statutes 2012, section 120B.30, subdivision 1, paragraph (c), clauses
49.31 (1) and (2). Other measures of statewide accountability, including student performance,
49.32 preparation, rigorous course taking, engagement and connection, and transition into
49.33 postsecondary education or the workforce remain in effect.

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

50.1 Sec. 17. **CAREER PATHWAYS AND TECHNICAL EDUCATION ADVISORY**
50.2 **TASK FORCE.**

50.3 Subdivision 1. **Recommendations.** (a) A career pathways and technical education
50.4 advisory task force is established to recommend to the Minnesota legislature, consistent
50.5 with Minnesota Statutes, sections 120B.30, subdivision 1, and 120B.35, subdivision 3,
50.6 how to structurally redesign secondary and postsecondary education to:

50.7 (1) improve secondary and postsecondary outcomes for students and adult learners;

50.8 (2) align secondary and postsecondary education programs serving students and
50.9 adult learners;

50.10 (3) align secondary and postsecondary education programs and Minnesota's
50.11 workforce needs; and

50.12 (4) measure and evaluate the combined efficacy of Minnesota's public kindergarten
50.13 through grade 12 and postsecondary education programs.

50.14 (b) Advisory task force members, in preparing these recommendations, must
50.15 seek the advice of education providers, employers, policy makers, and other interested
50.16 stakeholders and must at least consider how to:

50.17 (1) better inform students about career options, occupational trends, and educational
50.18 paths leading to viable and rewarding careers and reduce the gap between the demand for
50.19 and preparation of a skilled Minnesota workforce;

50.20 (2) in consultation with a student's family, develop and periodically adapt, as
50.21 needed, an education and work plan for each student aligned with the student's personal
50.22 and professional interests, abilities, skills, and aspirations;

50.23 (3) improve monitoring of high school students' progress with targeted interventions
50.24 and support and remove the need for remedial instruction;

50.25 (4) increase and accelerate opportunities for secondary school students to earn
50.26 postsecondary credits leading to a certificate, industry license, or degree;

50.27 (5) better align high school courses and expectations and postsecondary
50.28 credit-bearing courses;

50.29 (6) better align high school standards and assessments, postsecondary readiness
50.30 measures and entrance requirements, and the expectations of Minnesota employers;

50.31 (7) increase the rates at which students complete a postsecondary certificate,
50.32 industry license, or degree; and

50.33 (8) provide graduates of two-year and four-year postsecondary institutions with the
50.34 foundational skills needed for civic engagement, ongoing employment, and continuous
50.35 learning.

51.1 Subd. 2. **Task force membership and operation.** (a) Advisory task force members
 51.2 must include representatives of the following organizations from throughout the state:
 51.3 the Minnesota Association of Career and Technical Administrators; the Minnesota
 51.4 Association for Career and Technical Education; University of Minnesota and Minnesota
 51.5 State Colleges and Universities faculty working to develop career and technical educators
 51.6 in Minnesota; the National Research Center for Career and Technical Education; the
 51.7 Department of Education; the Department of Employment and Economic Development;
 51.8 the Minnesota Chamber of Commerce; the Minnesota Business Partnership; the Minnesota
 51.9 Board of Teaching; the Minnesota Association of Colleges for Teacher Education;
 51.10 Minnesota State Colleges and Universities foundational skills and general education
 51.11 faculty; Minnesota Secondary School Principals Association; Minnesota Association of
 51.12 School Administrators; Minnesota School Counselors Association; Minnesota Association
 51.13 of Charter Schools; and any other representatives selected by the task force members. The
 51.14 education commissioner or the commissioner's designee must convene the task force.

51.15 (b) The commissioner, upon request, must provide technical assistance to the task
 51.16 force.

51.17 (c) The task force must submit its written recommendations under this section to the
 51.18 legislative committees with jurisdiction over kindergarten through grade 12 education by
 51.19 February 15, 2014.

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

51.21 Sec. 18. **STANDARD ADULT HIGH SCHOOL DIPLOMA ADVISORY TASK**
 51.22 **FORCE.**

51.23 (a) The commissioner of education shall appoint a nine-member advisory task
 51.24 force to recommend programmatic requirements for adult basic education programs of
 51.25 instruction leading to a standard adult high school diploma under Minnesota Statutes,
 51.26 section 124D.52, subdivision 8.

51.27 (b) The commissioner of education must appoint representatives from the following
 51.28 organizations to the task force by July 1, 2013:

51.29 (1) one employee of the Department of Education with expertise in adult basic
 51.30 education;

51.31 (2) five adult basic education administrators and teachers from local adult basic
 51.32 education programs located in rural, suburban, and urban areas of the state, at least one of
 51.33 whom represents the Literacy Action network;

51.34 (3) one employee of the Minnesota State Colleges and Universities with expertise
 51.35 in adult basic education;

52.1 (4) one employee of the Department of Employment and Economic Development
52.2 with expertise in adult basic education and employment; and

52.3 (5) one member of the Minnesota Chamber of Commerce familiar with adult basic
52.4 education programs under Minnesota Statutes, section 124D.52.

52.5 (c) The commissioner of education must convene the task force. Task force
52.6 members are not eligible for compensation or reimbursement for expenses related to task
52.7 force activities. The commissioner, upon request, must provide technical assistance to
52.8 task force members.

52.9 (d) By February 1, 2014, the task force must submit its recommendations to the
52.10 commissioner of education for providing a standard adult high school diploma to persons
52.11 who are not eligible for kindergarten through grade 12 services, who do not have a
52.12 high school diploma, and who successfully complete an approved adult basic education
52.13 program of instruction necessary to earn an adult high school diploma. The commissioner
52.14 must consider these recommendations when adopting rules under Minnesota Statutes,
52.15 section 124D.52, subdivision 8.

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

52.17 **Sec. 19. IMPLEMENTING DIFFERENTIATED GRADUATION RATE**
52.18 **MEASURES AND EXPLORING ALTERNATIVE ROUTES TO A STANDARD**
52.19 **DIPLOMA FOR AT-RISK AND OFF-TRACK STUDENTS.**

52.20 (a) To implement the requirements of Minnesota Statutes, section 120B.35,
52.21 subdivision 3, paragraph (e), the commissioner of education must consult with recognized
52.22 and qualified experts and the stakeholders listed in paragraph (b) on improving
52.23 differentiated graduation rates and establishing alternative routes to a standard high school
52.24 diploma for at-risk and off-track students throughout the state. The commissioner must
52.25 consider and recommend to the legislature:

52.26 (1) research-based measures that demonstrate the relative success of school
52.27 districts, school sites, charter schools, and alternative program providers in improving the
52.28 graduation outcomes of at-risk and off-track students; and

52.29 (2) state options for establishing alternative routes to a standard diploma consistent
52.30 with the educational accountability system under Minnesota Statutes, chapter 120B.
52.31 When proposing alternative routes to a standard diploma, the commissioner also must
52.32 identify highly reliable variables that generate summary data to comply with Minnesota
52.33 Statutes, section 120B.35, subdivision 3, paragraph (e), including: who initiates the
52.34 request for an alternative route; who approves the request for an alternative route; the
52.35 parameters of the alternative route process, including whether a student first must fail a

53.1 regular, state-mandated exam; and the comparability of the academic and achievement
 53.2 criteria reflected in the alternative route and the standard route for a standard diploma.
 53.3 The commissioner is also encouraged to identify the data, timelines, and methods needed
 53.4 to evaluate and report on the alternative routes to a standard diploma once they are
 53.5 implemented and the student outcomes that result from those routes.

53.6 (b) Stakeholders to be consulted include persons from: state-approved alternative
 53.7 programs; online programs; charter schools; school boards; teachers; metropolitan school
 53.8 districts; rural educators; university and college faculty with expertise in serving and
 53.9 assessing at-risk and off-track students; superintendents; high school principals; and
 53.10 the public. The commissioner may seek input from other interested stakeholders and
 53.11 organizations with expertise to help inform the commissioner.

53.12 (c) The commissioner, by February 15, 2014, must develop and submit to the
 53.13 education policy and finance committees of the legislature recommendations and
 53.14 legislation, consistent with this section and Minnesota Statutes, section 120B.35,
 53.15 subdivision 3, paragraph (e), for:

53.16 (1) measuring and reporting differentiated graduation rates for at-risk and off-track
 53.17 students throughout the state and the success and costs that school districts, school sites,
 53.18 charter schools, and alternative program providers experience in identifying and serving
 53.19 at-risk or off-track student populations; and

53.20 (2) establishing alternative routes to a standard diploma.

53.21 **EFFECTIVE DATE.** This section is effective the day following final enactment
 53.22 and applies to school reports beginning July 1, 2015.

53.23 Sec. 20. **APPROPRIATIONS.**

53.24 Subdivision 1. **Minnesota Department of Education.** The sums indicated in this
 53.25 section are appropriated from the general fund to the Department of Education for the
 53.26 fiscal years designated.

53.27 Subd. 2. **Statewide testing and reporting system.** For the statewide testing and
 53.28 reporting system under Minnesota Statutes, section 120B.30:

53.29	\$	<u>17,550,000</u>	<u>.....</u>	<u>2014</u>
53.30	\$	<u>20,079,000</u>	<u>.....</u>	<u>2015</u>

53.31 Any balance in the first year does not cancel but is available in the second year.

54.1 Subd. 3. Educational planning and assessment system (EPAS) program. For
 54.2 the educational planning and assessment system program under Minnesota Statutes,
 54.3 section 120B.128:

54.4 \$ 829,000 2014

54.5 \$ 0 2015

54.6 Any balance in the first year does not cancel but is available in the second year.

54.7 **Sec. 21. REVISOR'S INSTRUCTION.**

54.8 The revisor of statutes shall renumber Minnesota Statutes, section 120B.023,
 54.9 subdivision 2, as Minnesota Statutes, section 120B.021, subdivision 4. The revisor shall
 54.10 make necessary cross-reference changes consistent with the renumbering.

54.11 **Sec. 22. REPEALER.**

54.12 (a) Minnesota Rules, parts 3501.0505; 3501.0510; 3501.0515; 3501.0520;
 54.13 3501.0525; 3501.0530; 3501.0535; 3501.0540; 3501.0545; and 3501.0550, are repealed.

54.14 (b) Minnesota Rules, parts 3501.0010; 3501.0020; 3501.0030, subparts 1, 2, 3, 4,
 54.15 5, 6, 7, 9, 10, 11, 12, 13, 14, 15, and 16; 3501.0040; 3501.0050; 3501.0060; 3501.0090;
 54.16 3501.0100; 3501.0110; 3501.0120; 3501.0130; 3501.0140; 3501.0150; 3501.0160;
 54.17 3501.0170; 3501.0180; 3501.0200; 3501.0210; 3501.0220; 3501.0230; 3501.0240;
 54.18 3501.0250; 3501.0270; 3501.0280, subparts 1 and 2; 3501.0290; 3501.1000; 3501.1020;
 54.19 3501.1030; 3501.1040; 3501.1050; 3501.1110; 3501.1120; 3501.1130; 3501.1140;
 54.20 3501.1150; 3501.1160; 3501.1170; 3501.1180; and 3501.1190, are repealed.

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

54.22 **ARTICLE 3**

54.23 **EDUCATION EXCELLENCE**

54.24 Section 1. Minnesota Statutes 2012, section 120A.40, is amended to read:

54.25 **120A.40 SCHOOL CALENDAR.**

54.26 ~~(a) Except for learning programs during summer, flexible learning year programs~~
 54.27 ~~authorized under sections 124D.12 to 124D.127, and learning year programs under section~~
 54.28 ~~124D.128; A district must not~~ may ~~commence an elementary or secondary school year~~
 54.29 ~~before Labor Day, except as provided under paragraph (b) it shall not hold a school day on~~
 54.30 the Thursday and Friday immediately preceding Labor Day. Days devoted to teachers'
 54.31 workshops may be held before Labor Day. Districts that enter into cooperative agreements
 54.32 are encouraged to adopt similar school calendars.

- 55.1 ~~(b) A district may begin the school year on any day before Labor Day:~~
 55.2 ~~(1) to accommodate a construction or remodeling project of \$400,000 or more~~
 55.3 ~~affecting a district school facility;~~
 55.4 ~~(2) if the district has an agreement under section 123A.30, 123A.32, or 123A.35~~
 55.5 ~~with a district that qualifies under clause (1); or~~
 55.6 ~~(3) if the district agrees to the same schedule with a school district in an adjoining~~
 55.7 ~~state.~~

55.8 **EFFECTIVE DATE.** This section is effective for the 2013-2014 school year and
 55.9 later.

55.10 Sec. 2. **[121A.07] SCHOOL CLIMATE COUNCIL.**

55.11 Subdivision 1. **Establishment and membership.** (a) A multiagency leadership
 55.12 council is established to improve school climate and school safety so that all
 55.13 prekindergarten through grade 12 schools and higher education institutions have safe and
 55.14 welcoming learning environments in which to maximize their students' learning potential.

55.15 (b) The council shall consist of:

55.16 (1) the commissioners or their designees from the Departments of Education, Health,
 55.17 Human Rights, Human Services, Public Safety, and Corrections and the Minnesota Office
 55.18 of Higher Education;

55.19 (2) one representative each from the Board of Teaching, Board of School
 55.20 Administrators, Minnesota School Boards Association, Elementary School Principals
 55.21 Association, Association of Secondary School Principals, and Education Minnesota as
 55.22 selected by each organization;

55.23 (3) two representatives each for student support personnel, parents, and students as
 55.24 selected by the commissioner of education;

55.25 (4) two representatives of local law enforcement as selected by the commissioner of
 55.26 public safety; and

55.27 (5) two representatives of the judicial branch as selected by the chief justice of
 55.28 the Minnesota Supreme Court.

55.29 Subd. 2. **Duties.** The council must:

55.30 (1) establish norms and standards to prevent, intervene, and provide support to help
 55.31 schools address bullying, harassment, and intimidation;

55.32 (2) advance evidence-based policy and best practices to improve the school climate
 55.33 and promote school safety; and

55.34 (3) develop and provide resources and training for schools and communities to
 55.35 address bullying, harassment, intimidation, and other school safety issues.

56.1 Sec. 3. [121A.08] SCHOOL CLIMATE CENTER.

56.2 A school climate center within the department is established to help schools, parents,
56.3 students, and communities create and sustain safe learning environments for students.

56.4 The center shall:

56.5 (1) provide policy guidance to schools on improving learning environments to
56.6 ensure students' safety and support;

56.7 (2) disseminate information and provide technical assistance to schools on restorative
56.8 practices and teaching strategies that decrease social-emotional impediments to learning
56.9 and support student success, including information on exemplary Minnesota school models;

56.10 (3) provide site-specific, culturally appropriate technical assistance and coaching to
56.11 schools and school districts to assist in improving school climate;

56.12 (4) serve as a contact point for schools, parents, and students seeking assistance
56.13 and guidance on information, research, laws, regulations, and state and local resources
56.14 regarding bullying, harassment, and intimidation;

56.15 (5) develop and disseminate Web-based training for staff development in schools;

56.16 (6) collect, interpret, and disseminate quantitative and qualitative data on school
56.17 climate and student engagement; and

56.18 (7) sponsor a biennial statewide conference on school climate and safety issues.

56.19 Sec. 4. Minnesota Statutes 2012, section 121A.22, subdivision 2, is amended to read:

56.20 Subd. 2. **Exclusions.** In addition, this section does not apply to drugs or medicine
56.21 that are:

56.22 (1) purchased without a prescription;

56.23 (2) used by a pupil who is 18 years old or older;

56.24 (3) used in connection with services for which a minor may give effective consent,
56.25 including section 144.343, subdivision 1, and any other law;

56.26 (4) used in situations in which, in the judgment of the school personnel who are
56.27 present or available, the risk to the pupil's life or health is of such a nature that drugs or
56.28 medicine should be given without delay;

56.29 (5) used off the school grounds;

56.30 (6) used in connection with athletics or extra curricular activities;

56.31 (7) used in connection with activities that occur before or after the regular school day;

56.32 (8) provided or administered by a public health agency to prevent or control an
56.33 illness or a disease outbreak as provided for in sections 144.05 and 144.12;

56.34 (9) prescription asthma or reactive airway disease medications self-administered by
56.35 a pupil with an asthma inhaler if the district has received a written authorization from the

57.1 pupil's parent permitting the pupil to self-administer the medication, the inhaler is properly
 57.2 labeled for that student, and the parent has not requested school personnel to administer
 57.3 the medication to the pupil. The parent must submit written authorization for the pupil to
 57.4 self-administer the medication each school year; or

57.5 (10) ~~prescription nonsyringe injectors of epinephrine~~ auto-injectors, consistent with
 57.6 section 121A.2205, if the parent and prescribing medical professional annually inform the
 57.7 pupil's school in writing that (i) the pupil may possess the epinephrine or (ii) the pupil is
 57.8 unable to possess the epinephrine and requires immediate access to ~~nonsyringe injectors~~
 57.9 ~~of epinephrine~~ auto-injectors that the parent provides properly labeled to the school for
 57.10 the pupil as needed, or consistent with section 121A.2207.

57.11 Sec. 5. Minnesota Statutes 2012, section 121A.2205, is amended to read:

57.12 **121A.2205 POSSESSION AND USE OF ~~NONSYRINGE INJECTORS OF~~**
 57.13 **EPINEPHRINE AUTO-INJECTORS; MODEL POLICY.**

57.14 Subdivision 1. Definitions. As used in this section:

57.15 (1) "administer" means the direct application of an epinephrine auto-injector to
 57.16 the body of an individual;

57.17 (2) "epinephrine auto-injector" means a device that automatically injects a
 57.18 premeasured dose of epinephrine; and

57.19 (3) "school" means a public school under section 120A.22, subdivision 4, or a
 57.20 nonpublic school, excluding a home school, under section 120A.22, subdivision 4, that
 57.21 is subject to the federal Americans with Disabilities Act.

57.22 Subd. 2. Plan for use of epinephrine auto-injectors. (a) At the start of each school
 57.23 year or at the time a student enrolls in school, whichever is first, a student's parent, school
 57.24 staff, including those responsible for student health care, and the prescribing medical
 57.25 professional must develop and implement an individualized written health plan for a
 57.26 student who is prescribed ~~nonsyringe injectors of epinephrine~~ auto-injectors that enables
 57.27 the student to:

57.28 (1) possess ~~nonsyringe injectors of epinephrine~~ auto-injectors; or

57.29 (2) if the parent and prescribing medical professional determine the student is unable
 57.30 to possess the epinephrine, have immediate access to ~~nonsyringe injectors of epinephrine~~
 57.31 auto-injectors in close proximity to the student at all times during the instructional day.

57.32 The plan must designate the school staff responsible for implementing the student's
 57.33 health plan, including recognizing anaphylaxis and administering ~~nonsyringe injectors of~~
 57.34 epinephrine auto-injectors when required, consistent with section 121A.22, subdivision 2,
 57.35 clause (10). This health plan may be included in a student's 504 plan.

58.1 (b) ~~A school under this section is a public school under section 120A.22, subdivision~~
58.2 ~~4, or a nonpublic school, excluding a home school, under section 120A.22, subdivision 4,~~
58.3 ~~that is subject to the federal Americans with Disabilities Act.~~ Other nonpublic schools are
58.4 encouraged to develop and implement an individualized written health plan for students
58.5 requiring ~~nonsyringe injectors of epinephrine~~ auto-injectors, consistent with this section
58.6 and section 121A.22, subdivision 2, clause (10).

58.7 (c) A school district and its agents and employees are immune from liability for any
58.8 act or failure to act, made in good faith, in implementing this section.

58.9 (d) The education commissioner may develop and transmit to interested schools a
58.10 model policy and individualized health plan form consistent with this section and federal
58.11 504 plan requirements. The policy and form may:

58.12 (1) assess a student's ability to safely possess ~~nonsyringe injectors of epinephrine~~
58.13 auto-injectors;

58.14 (2) identify staff training needs related to recognizing anaphylaxis and administering
58.15 epinephrine when needed;

58.16 (3) accommodate a student's need to possess or have immediate access to ~~nonsyringe~~
58.17 ~~injectors of epinephrine~~ auto-injectors in close proximity to the student at all times during
58.18 the instructional day; and

58.19 (4) ensure that the student's parent provides properly labeled ~~nonsyringe injectors of~~
58.20 epinephrine auto-injectors to the school for the student as needed.

58.21 (e) Additional ~~nonsyringe injectors of epinephrine~~ auto-injectors may be available in
58.22 school first aid kits.

58.23 (f) The school board of the school district must define instructional day for the
58.24 purposes of this section.

58.25 **Sec. 6. [121A.2207] LIFE-THREATENING ALLERGIES IN SCHOOLS;**
58.26 **GUIDELINES; STOCK SUPPLY OF EPINEPHRINE AUTO-INJECTORS;**
58.27 **EMERGENCY ADMINISTRATION.**

58.28 **Subdivision 1. Districts and schools permitted to maintain supply.** (a)
58.29 Notwithstanding section 151.37, districts and schools may obtain and possess epinephrine
58.30 auto-injectors to be maintained and administered according to this section. A district or
58.31 school may maintain a stock supply of epinephrine auto-injectors.

58.32 (b) For purposes of this section, "district" means a district as defined under section
58.33 121A.41, subdivision 3, or a school site or facility within the district, and "school" means
58.34 a charter school as defined under section 124D.10.

59.1 Subd. 2. Use of supply. (a) A district or school may authorize school nurses and
59.2 other designated school personnel trained under this section to administer an epinephrine
59.3 auto-injector to any student or other individual based on guidelines under subdivision 4,
59.4 regardless of whether the student or other individual has a prescription for an epinephrine
59.5 auto-injector if:

59.6 (1) the school nurse or designated person believes in good faith that an individual
59.7 is experiencing anaphylaxis; and

59.8 (2) the person experiencing anaphylaxis is on school premises or off school premises
59.9 at a school-sponsored event.

59.10 (b) The administration of an epinephrine auto-injector in accordance with this
59.11 section is not the practice of medicine.

59.12 Subd. 3. Arrangements with manufacturers. A district or school may enter into
59.13 arrangements with manufacturers of epinephrine auto-injectors to obtain epinephrine
59.14 auto-injectors at fair-market, free, or reduced prices. A third party, other than a
59.15 manufacturer or supplier, may pay for a school's supply of epinephrine auto-injectors.

59.16 Subd. 4. District and school policies required for use of epinephrine
59.17 auto-injectors. A district or school permitting administration of epinephrine
59.18 auto-injectors pursuant to subdivision 2 shall develop guidelines in a manner consistent
59.19 with section 121A.22, subdivision 4, and plan for implementation of the guidelines,
59.20 which shall include: (1) annual education and training for designated school personnel
59.21 on the management of students with life-threatening allergies, including training related
59.22 to the administration of an epinephrine auto-injector; (2) procedures for identification of
59.23 anaphylaxis and response to life-threatening allergic reactions; and (3) a plan to ensure
59.24 that epinephrine auto-injectors maintained at the school are not expired. In developing the
59.25 guidelines, the district or school must consider applicable model rules and include input
59.26 from interested community stakeholders. The guidelines must include a requirement to call
59.27 emergency medical services and inform the individual's parent, guardian, or emergency
59.28 contact when an epinephrine auto-injector is administered. Each district and school shall
59.29 make the guidelines and plan available on its Web site, or if such Web sites do not exist,
59.30 make the plan publicly available through other practicable means as determined by the
59.31 district or school. Upon request, a printed copy of the guidelines and plan must be made
59.32 available at no charge. Each district and school shall maintain a log of each incident at a
59.33 school or related school event involving the administration of an epinephrine auto-injector.

59.34 Sec. 7. Minnesota Statutes 2012, section 122A.09, subdivision 4, is amended to read:

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

60.3 (b) The board must adopt rules requiring a person to pass a skills examination in
60.4 reading, writing, and mathematics as a requirement for initial teacher licensure, except
60.5 that the board may issue up to three additional temporary, one-year teaching licenses to an
60.6 otherwise qualified candidate who has not passed the skills exam at the time the candidate
60.7 successfully completes an approved teacher preparation program. Such rules must require
60.8 college and universities offering a board-approved teacher preparation program to provide
60.9 remedial assistance to persons who did not achieve a qualifying score on the skills
60.10 examination, including those for whom English is a second language.

60.11 (c) The board must adopt rules to approve teacher preparation programs. The board,
60.12 upon the request of a postsecondary student preparing for teacher licensure or a licensed
60.13 graduate of a teacher preparation program, shall assist in resolving a dispute between the
60.14 person and a postsecondary institution providing a teacher preparation program when the
60.15 dispute involves an institution's recommendation for licensure affecting the person or the
60.16 person's credentials. At the board's discretion, assistance may include the application
60.17 of chapter 14.

60.18 (d) The board must provide the leadership and adopt rules for the redesign of teacher
60.19 education programs to implement a research based, results-oriented curriculum that
60.20 focuses on the skills teachers need in order to be effective. The board shall implement new
60.21 systems of teacher preparation program evaluation to assure program effectiveness based
60.22 on proficiency of graduates in demonstrating attainment of program outcomes. Teacher
60.23 preparation programs including alternative teacher preparation programs under section
60.24 122A.245, among other programs, must include a content-specific, board-approved,
60.25 performance-based assessment that measures teacher candidates in three areas: planning
60.26 for instruction and assessment; engaging students and supporting learning; and assessing
60.27 student learning.

60.28 (e) The board must adopt rules requiring candidates for initial licenses to pass an
60.29 examination of general pedagogical knowledge and examinations of licensure-specific
60.30 teaching skills. The rules shall be effective by September 1, 2001. The rules under this
60.31 paragraph also must require candidates for initial licenses to teach prekindergarten or
60.32 elementary students to pass, as part of the examination of licensure-specific teaching
60.33 skills, test items assessing the candidates' knowledge, skill, and ability in comprehensive,
60.34 scientifically based reading instruction under section 122A.06, subdivision 4, and their
60.35 knowledge and understanding of the foundations of reading development, the development

61.1 of reading comprehension, and reading assessment and instruction, and their ability to
61.2 integrate that knowledge and understanding.

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

61.6 (g) The board must grant licenses to interns and to candidates for initial licenses
61.7 based on appropriate professional competencies that are aligned with the board's licensing
61.8 system and students' diverse learning needs. The board must include these licenses in a
61.9 statewide differentiated licensing system that creates new leadership roles for successful
61.10 experienced teachers premised on a collaborative professional culture dedicated to meeting
61.11 students' diverse learning needs in the 21st century and formalizes mentoring and induction
61.12 for newly licensed teachers that is provided through a teacher support framework.

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

61.16 (i) The board must receive recommendations from local committees as established
61.17 by the board for the renewal of teaching licenses.

61.18 (j) The board must grant life licenses to those who qualify according to requirements
61.19 established by the board, and suspend or revoke licenses pursuant to sections 122A.20 and
61.20 214.10. The board must not establish any expiration date for application for life licenses.

61.21 (k) The board must adopt rules that require all licensed teachers who are renewing
61.22 their continuing license to include in their renewal requirements further preparation in
61.23 the areas of using positive behavior interventions and in accommodating, modifying, and
61.24 adapting curricula, materials, and strategies to appropriately meet the needs of individual
61.25 students and ensure adequate progress toward the state's graduation rule.

61.26 (l) In adopting rules to license public school teachers who provide health-related
61.27 services for disabled children, the board shall adopt rules consistent with license or
61.28 registration requirements of the commissioner of health and the health-related boards who
61.29 license personnel who perform similar services outside of the school.

61.30 (m) The board must adopt rules that require all licensed teachers who are renewing
61.31 their continuing license to include in their renewal requirements further reading
61.32 preparation, consistent with section 122A.06, subdivision 4. The rules do not take effect
61.33 until they are approved by law. Teachers who do not provide direct instruction including, at
61.34 least, counselors, school psychologists, school nurses, school social workers, audiovisual
61.35 directors and coordinators, and recreation personnel are exempt from this section.

62.1 (n) The board must adopt rules that require all licensed teachers who are renewing
 62.2 their continuing license to include in their renewal requirements further preparation,
 62.3 first, in understanding the key warning signs of early-onset mental illness in children
 62.4 and adolescents and then, during subsequent licensure renewal periods, preparation may
 62.5 include providing a more in-depth understanding of students' mental illness trauma,
 62.6 accommodations for students' mental illness, parents' role in addressing students' mental
 62.7 illness, Fetal Alcohol Spectrum Disorders, autism, the requirements of section 125A.0942
 62.8 governing restrictive procedures, and de-escalation methods, among other similar topics.

62.9 **EFFECTIVE DATE.** Paragraph (b) is effective the day following final enactment.
 62.10 Paragraph (n) is effective August 1, 2014.

62.11 Sec. 8. Minnesota Statutes 2012, section 122A.18, subdivision 2, is amended to read:

62.12 Subd. 2. **Teacher and support personnel qualifications.** (a) The Board of
 62.13 Teaching must issue licenses under its jurisdiction to persons the board finds to be
 62.14 qualified and competent for their respective positions.

62.15 (b) The board must require a person to pass an examination of skills in reading,
 62.16 writing, and mathematics before being granted an initial teaching license to provide direct
 62.17 instruction to pupils in prekindergarten, elementary, secondary, or special education
 62.18 programs, except that the board may issue up to three additional temporary, one-year
 62.19 teaching licenses to an otherwise qualified candidate who has not passed the skills
 62.20 exam at the time the candidate successfully completes an approved teacher preparation
 62.21 program. The board must require colleges and universities offering a board approved
 62.22 teacher preparation program to ~~provide~~ make available upon request remedial assistance
 62.23 that includes a formal diagnostic component to persons enrolled in their institution who
 62.24 did not achieve a qualifying score on the skills examination, including those for whom
 62.25 English is a second language. The colleges and universities must ~~provide~~ make available
 62.26 assistance in the specific academic areas of deficiency in which the person did not achieve
 62.27 a qualifying score. School districts may make available upon request similar, appropriate,
 62.28 and timely remedial assistance that includes a formal diagnostic component to those
 62.29 persons employed by the district who completed their teacher education program, who did
 62.30 not achieve a qualifying score on the skills examination, including those persons for whom
 62.31 English is a second language and persons under section 122A.23, subdivision 2, paragraph
 62.32 (h), who completed their teacher's education program outside the state of Minnesota,
 62.33 and who received a temporary license to teach in Minnesota. The Board of Teaching
 62.34 shall report annually to the education committees of the legislature on the total number
 62.35 of teacher candidates during the most recent school year taking the skills examination,

63.1 the number who achieve a qualifying score on the examination, the number who do not
 63.2 achieve a qualifying score on the examination, the distribution of all candidates' scores,
 63.3 the number of candidates who have taken the examination at least once before, and the
 63.4 number of candidates who have taken the examination at least once before and achieve
 63.5 a qualifying score.

63.6 (c) A person who has completed an approved teacher preparation program and has
 63.7 been issued three temporary, one-year teaching licenses, but has not passed the skills exam,
 63.8 may have the board renew the temporary license if the school district employing the licensee
 63.9 requests that the licensee continue to teach for that district under a temporary license.

63.10 (d) The Board of Teaching must grant continuing licenses only to those persons who
 63.11 have met board criteria for granting a continuing license, which includes passing the skills
 63.12 examination in reading, writing, and mathematics.

63.13 ~~(d)~~ (e) All colleges and universities approved by the board of teaching to prepare
 63.14 persons for teacher licensure must include in their teacher preparation programs a common
 63.15 core of teaching knowledge and skills to be acquired by all persons recommended
 63.16 for teacher licensure. This common core shall meet the standards developed by the
 63.17 interstate new teacher assessment and support consortium in its 1992 "model standards for
 63.18 beginning teacher licensing and development." Amendments to standards adopted under
 63.19 this paragraph are covered by chapter 14. The board of teaching shall report annually to
 63.20 the education committees of the legislature on the performance of teacher candidates
 63.21 on common core assessments of knowledge and skills under this paragraph during the
 63.22 most recent school year.

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

63.24 Sec. 9. Minnesota Statutes 2012, section 122A.23, subdivision 2, is amended to read:

63.25 Subd. 2. **Applicants licensed in other states.** (a) Subject to the requirements of
 63.26 sections 122A.18, subdivision 8, and 123B.03, the Board of Teaching must issue a teaching
 63.27 license or a temporary teaching license under paragraphs (b) to (e) to an applicant who holds
 63.28 at least a baccalaureate degree from a regionally accredited college or university and holds
 63.29 or held a similar out-of-state teaching license that requires the applicant to successfully
 63.30 complete a teacher preparation program approved by the issuing state, which includes
 63.31 field-specific teaching methods and student teaching or essentially equivalent experience.

63.32 (b) The Board of Teaching must issue a teaching license to an applicant who:

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

64.1 (2) holds or held an out-of-state teaching license to teach the same content field and
64.2 grade levels if the scope of the out-of-state license is no more than one grade level less
64.3 than a similar Minnesota license.

64.4 (c) The Board of Teaching, consistent with board rules and paragraph (h), must
64.5 issue up to three one-year temporary teaching licenses to an applicant who holds or held
64.6 an out-of-state teaching license to teach the same content field and grade levels, where
64.7 the scope of the out-of-state license is no more than one grade level less than a similar
64.8 Minnesota license, but has not successfully completed all exams and human relations
64.9 preparation components required by the Board of Teaching.

64.10 (d) The Board of Teaching, consistent with board rules, must issue up to three
64.11 one-year temporary teaching licenses to an applicant who:

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

64.14 (2) holds or held an out-of-state teaching license to teach the same content field
64.15 and grade levels, where the scope of the out-of-state license is no more than one grade
64.16 level less than a similar Minnesota license, but has not completed field-specific teaching
64.17 methods or student teaching or equivalent experience.

64.18 The applicant may complete field-specific teaching methods and student teaching
64.19 or equivalent experience by successfully participating in a one-year school district
64.20 mentorship program consistent with board-adopted standards of effective practice and
64.21 Minnesota graduation requirements.

64.22 (e) The Board of Teaching must issue a temporary teaching license for a term of
64.23 up to three years only in the content field or grade levels specified in the out-of-state
64.24 license to an applicant who:

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

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

64.29 (f) The Board of Teaching must not issue to an applicant more than three one-year
64.30 temporary teaching licenses under this subdivision.

64.31 (g) The Board of Teaching must not issue a license under this subdivision if the
64.32 applicant has not attained the additional degrees, credentials, or licenses required in a
64.33 particular licensure field.

64.34 (h) The Board of Teaching must require an applicant for a teaching license or a
64.35 temporary teaching license under this subdivision to pass a skills examination in reading,
64.36 writing, and mathematics before the board issues the license. Consistent with section

65.1 122A.18, subdivision 2, paragraph (c), and notwithstanding other provisions of this
 65.2 subdivision, the board may issue up to three additional temporary, one-year teaching
 65.3 licenses to an otherwise qualified applicant who has not passed the skills exam and the
 65.4 board may renew this temporary license if the school district employing the applicant
 65.5 requests that the applicant continue to teach for that district under a temporary license.

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

65.7 Sec. 10. Minnesota Statutes 2012, section 122A.28, subdivision 1, is amended to read:

65.8 Subdivision 1. **K-12 license to teach deaf and hard-of-hearing students;**
 65.9 **relicensure.** (a) The Board of Teaching must review and determine appropriate licensure
 65.10 requirements for a candidate for a license or an applicant for a continuing license to teach
 65.11 deaf and hard-of-hearing students in prekindergarten through grade 12. In addition to
 65.12 other requirements, a candidate must demonstrate the minimum level of proficiency in
 65.13 American sign language as determined by the board.

65.14 (b) Among other relicensure requirements, each teacher under this section must
 65.15 complete 30 continuing education clock hours on hearing loss topics, including American
 65.16 Sign Language, American Sign Language linguistics, or deaf culture, in each licensure
 65.17 renewal period.

65.18 **EFFECTIVE DATE.** This section is effective August 1, 2013.

65.19 Sec. 11. Minnesota Statutes 2012, section 122A.33, subdivision 3, is amended to read:

65.20 Subd. 3. **Notice of nonrenewal; opportunity to respond.** A school board that
 65.21 declines to renew the coaching contract of a licensed or nonlicensed head varsity coach
 65.22 must notify the coach within 14 days of that decision. If the coach requests reasons for not
 65.23 renewing the coaching contract, the board must give the coach its reasons in writing within
 65.24 ten days of receiving the request. The existence of parent complaints must not be the sole
 65.25 reason for a board not to renew a coaching contract. Upon request, the board must provide
 65.26 the coach with a reasonable opportunity to respond to the reasons at a board meeting. The
 65.27 hearing may be opened or closed at the election of the coach unless the board closes the
 65.28 meeting under section 13D.05, subdivision 2, to discuss private data.

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

65.30 Sec. 12. Minnesota Statutes 2012, section 122A.61, subdivision 1, is amended to read:

65.31 Subdivision 1. **Staff development revenue.** A district is required to reserve
 65.32 an amount equal to at least two percent of the basic revenue under section 126C.10,

66.1 subdivision 2, for in-service education for programs under section 120B.22, subdivision 2,
 66.2 for staff development plans, including plans for challenging instructional activities and
 66.3 experiences under section 122A.60, and for curriculum development and programs, other
 66.4 in-service education, teachers' evaluation, teachers' workshops, teacher conferences, the
 66.5 cost of substitute teachers staff development purposes, preservice and in-service education
 66.6 for special education professionals and paraprofessionals, and other related costs for
 66.7 staff development efforts. A district may annually waive the requirement to reserve their
 66.8 basic revenue under this section if a majority vote of the licensed teachers in the district
 66.9 and a majority vote of the school board agree to a resolution to waive the requirement.
 66.10 A district in statutory operating debt is exempt from reserving basic revenue according
 66.11 to this section. Districts may expend an additional amount of unreserved revenue for
 66.12 staff development based on their needs.

66.13 **EFFECTIVE DATE.** This section is effective July 1, 2013.

66.14 Sec. 13. Minnesota Statutes 2012, section 124D.122, is amended to read:

66.15 **124D.122 ESTABLISHMENT OF FLEXIBLE LEARNING YEAR PROGRAM.**

66.16 The board of any district or a consortium of districts, with the approval of the
 66.17 commissioner, may establish and operate a flexible learning year program in one or more of
 66.18 the day or residential facilities for children with a disability within the district. Consortiums
 66.19 may use a single application and evaluation process, though results, public hearings, and
 66.20 board approvals must be obtained for each district as required under appropriate sections.

66.21 Sec. 14. Minnesota Statutes 2012, section 124D.42, is amended to read:

66.22 **124D.42 READING AND MATH CORPS.**

66.23 Subd. 6. **Program training.** The commission must, within available resources:

66.24 (1) orient each grantee organization in the nature, philosophy, and purpose of the
 66.25 program;

66.26 (2) build an ethic of community service through general community service training;
 66.27 and

66.28 (3) provide guidance on integrating programmatic-based measurement into program
 66.29 models.

66.30 Subd. 8. **Minnesota reading corps program.** (a) A Minnesota reading corps
 66.31 program is established to provide ServeMinnesota ~~Innovation~~ AmeriCorps members with
 66.32 a data-based problem-solving model of literacy instruction to use in helping to train local
 66.33 Head Start program providers, other prekindergarten program providers, and staff in

67.1 schools with students in kindergarten through grade 3 to evaluate and teach early literacy
67.2 skills, including comprehensive, scientifically based reading instruction under section
67.3 122A.06, subdivision 4, to children age 3 to grade 3.

67.4 (b) Literacy programs under this subdivision must comply with the provisions
67.5 governing literacy program goals and data use under section 119A.50, subdivision 3,
67.6 paragraph (b).

67.7 (c) The commission must submit a biennial report to the committees of the
67.8 legislature with jurisdiction over kindergarten through grade 12 education that records and
67.9 evaluates program data to determine the efficacy of the programs under this subdivision.

67.10 Subd. 9. **Minnesota math corps program.** (a) A Minnesota math corps program is
67.11 established to give ServeMinnesota AmeriCorps members a data-based problem-solving
67.12 model of mathematics instruction useful for providing elementary and middle school
67.13 students and their teachers with instructional support to meet state academic standards in
67.14 mathematics.

67.15 (b) The commission must submit a biennial report to the legislative committees with
67.16 jurisdiction over kindergarten through grade 12 education that records and evaluates
67.17 program data to determine the efficacy of the programs under this subdivision.

67.18 **EFFECTIVE DATE.** This section is effective July 1, 2013.

67.19 Sec. 15. Minnesota Statutes 2012, section 124D.59, subdivision 2, is amended to read:

67.20 Subd. 2. **English learner.** (a) "English learner" means a pupil in kindergarten
67.21 through grade 12 who meets the following requirements:

67.22 (1) the pupil, as declared by a parent or guardian first learned a language other than
67.23 English, comes from a home where the language usually spoken is other than English, or
67.24 usually speaks a language other than English; and

67.25 (2) the pupil is determined by developmentally appropriate measures, which might
67.26 include observations, teacher judgment, parent recommendations, or developmentally
67.27 appropriate assessment instruments that measure the pupil's emerging academic English
67.28 and are aligned to state standards for English language development defined in rule, to
67.29 lack the necessary English skills to participate fully in classes taught in English.

67.30 (b) Notwithstanding paragraph (a), a pupil in grades 4 through 12 who was enrolled
67.31 in a Minnesota public school on the dates during the previous school year when a
67.32 commissioner provided assessment that measures the pupil's emerging academic English
67.33 was administered, shall not be counted as an English learner in calculating English learner
67.34 pupil units under section 126C.05, subdivision 17, and shall not generate state English
67.35 learner aid under section 124D.65, subdivision 5, unless the pupil scored below the state

68.1 cutoff score or is otherwise counted as a nonproficient participant on an assessment
68.2 measuring emerging academic English provided by the commissioner during the previous
68.3 school year.

68.4 (c) Notwithstanding paragraphs (a) and (b), a pupil in kindergarten through grade
68.5 12 shall not be counted as an English learner in calculating English learner pupil units
68.6 under section 126C.05, subdivision 17, and shall not generate state English learner aid
68.7 under section 124D.65, subdivision 5, if:

68.8 (1) the pupil is not enrolled during the current fiscal year in an educational program
68.9 for English learners in accordance with sections 124D.58 to 124D.64; or

68.10 (2) the pupil has generated five or more years of average daily membership in
68.11 Minnesota public schools since July 1, 1996.

68.12 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2014
68.13 and later.

68.14 Sec. 16. Minnesota Statutes 2012, section 124D.61, is amended to read:

68.15 **124D.61 GENERAL REQUIREMENTS FOR PROGRAMS.**

68.16 A district that enrolls one or more English learners must implement an educational
68.17 program that includes at a minimum the following requirements:

68.18 (1) identification, program entrance, and reclassification criteria for English learners
68.19 and program entrance and exit criteria for English learners must be documented by the
68.20 district, applied uniformly to English learners, and made available to parents and other
68.21 stakeholders upon request;

68.22 (2) a written plan of services that describes programming by English proficiency level
68.23 made available to parents upon request. The plan must articulate the amount and scope of
68.24 service offered to English learners through an educational program for English learners;

68.25 (3) professional development opportunities for ESL, bilingual education,
68.26 mainstream, and all staff working with English learners which are: (i) coordinated with
68.27 the district's professional development activities; (ii) related to the needs of English
68.28 learners; and (iii) ongoing;

68.29 (4) to the extent possible, avoid isolating English learners for a substantial part of
68.30 the school day; and

68.31 (5) in predominantly nonverbal subjects, such as art, music, and physical education,
68.32 permit English learners to participate fully and on an equal basis with their contemporaries
68.33 in public school classes provided for these subjects. To the extent possible, the district

69.1 must assure to pupils enrolled in a program for English learners an equal and meaningful
69.2 opportunity to participate fully with other pupils in all extracurricular activities.
69.3 The exit criteria under clause (1) must be equivalent to the emerging academic English
69.4 measures on state assessments for English language development.

69.5 Sec. 17. Minnesota Statutes 2012, section 124D.79, subdivision 1, is amended to read:

69.6 Subdivision 1. **Community involvement.** The commissioner must provide for the
69.7 maximum involvement of the state committees on American Indian education, parents
69.8 of American Indian children, secondary students eligible to be served, American Indian
69.9 language and culture education teachers, American Indian teachers, teachers' aides,
69.10 representatives of community groups, and persons knowledgeable in the field of American
69.11 Indian education, in the formulation of policy and procedures relating to the administration
69.12 of sections 124D.71 to 124D.82. The commissioner must annually hold a field hearing on
69.13 American Indian education to gather input from American Indian educators, parents, and
69.14 students on the state of American Indian education in Minnesota. Results of the hearing
69.15 must be made available to all 11 tribal nations for review and comment.

69.16 Sec. 18. Minnesota Statutes 2012, section 124D.79, is amended by adding a
69.17 subdivision to read:

69.18 Subd. 4. **Consultation with the Tribal Nations Education Committee.** (a) The
69.19 commissioner shall seek consultation with the Tribal Nations Education Committee on all
69.20 issues relating to American Indian education including:

69.21 (1) administration of the commissioner's duties under sections 124D.71 to 124D.82
69.22 and other programs;

69.23 (2) administration of other programs for the education of American Indian people, as
69.24 determined by the commissioner;

69.25 (3) awarding of scholarships to eligible American Indian students;

69.26 (4) administration of the commissioner's duties regarding awarding of American
69.27 Indian postsecondary preparation grants to school districts; and

69.28 (5) recommendations of education policy changes for American Indians.

69.29 (b) Membership in the Tribal Nations Education Committee is at the sole discretion
69.30 of the committee and nothing in this subdivision gives the commissioner authority to
69.31 dictate committee membership.

69.32 Sec. 19. [124D.791] INDIAN EDUCATION DIRECTOR.

70.1 Subdivision 1. **Appointment.** An Indian education director shall be appointed by
70.2 the commissioner.

70.3 Subd. 2. **Qualifications.** The commissioner shall select the Indian education
70.4 director on the basis of outstanding professional qualifications and knowledge of
70.5 American Indian education, culture, practices, and beliefs. The Indian education director
70.6 serves in the unclassified service. The commissioner may remove the Indian education
70.7 director for cause. The commissioner is encouraged to seek qualified applicants who
70.8 are enrolled members of a tribe.

70.9 Subd. 3. **Compensation.** Compensation of the Indian education director shall be
70.10 established under chapter 15A.

70.11 Subd. 4. **Duties; powers.** (a) The Indian education director shall:

70.12 (1) serve as the liaison for the department with the Tribal Nations Education
70.13 Committee, the 11 reservations, the Minnesota Chippewa tribe, the Minnesota Indian
70.14 Affairs Council, and the Urban Indian Advisory Council;

70.15 (2) evaluate the state of American Indian education in Minnesota;

70.16 (3) engage the tribal bodies, community groups, parents of children eligible to be
70.17 served by American Indian education programs, American Indian administrators and
70.18 teachers, persons experienced in the training of teachers for American Indian education
70.19 programs, the tribally controlled schools, and other persons knowledgeable in the field of
70.20 American Indian education and seek their advice on policies that can improve the quality
70.21 of American Indian education;

70.22 (4) advise the commissioner on American Indian education issues, including:

70.23 (i) issues facing American Indian students;

70.24 (ii) policies for American Indian education;

70.25 (iii) awarding scholarships to eligible American Indian students and in administering
70.26 the commissioner's duties regarding awarding of American Indian postsecondary
70.27 preparation grants to school districts; and

70.28 (iv) administration of the commissioner's duties under sections 124D.71 to 124D.82
70.29 and other programs for the education of American Indian people;

70.30 (5) propose to the commissioner legislative changes that will improve the quality
70.31 of American Indian education;

70.32 (6) develop a strategic plan and a long-term framework for American Indian
70.33 education, in conjunction with the Minnesota Indian Affairs Council, that is updated every
70.34 five years and implemented by the commissioner, with goals to:

70.35 (i) increase American Indian student achievement, including increased levels of
70.36 proficiency and growth on statewide accountability assessments;

- 71.1 (ii) increase the number of American Indian teachers in public schools;
 71.2 (iii) close the achievement gap between American Indian students and their more
 71.3 advantaged peers;
 71.4 (iv) increase the statewide graduation rate for American Indian students; and
 71.5 (v) increase American Indian student placement in postsecondary programs and
 71.6 the workforce; and
 71.7 (7) keep the American Indian community informed about the work of the department
 71.8 by reporting to the Tribal Nations Education Committee at each committee meeting.

71.9 **Sec. 20. [124D.861] ACHIEVEMENT AND INTEGRATION FOR MINNESOTA.**

71.10 **Subdivision 1. Program to close the academic achievement and opportunity**
 71.11 **gap.** (a) The "Achievement and Integration for Minnesota" program is established to
 71.12 promote diversity, pursue racial and economic integration, and increase student academic
 71.13 achievement and equitable educational opportunities in Minnesota public schools. The
 71.14 program must serve students of varying racial, ethnic, and economic backgrounds, taking
 71.15 into account unique geographic and demographic particularities affecting students,
 71.16 schools, and districts including race, neighborhood locations and characteristics, grades,
 71.17 socioeconomic status, academic performance, and language barriers.

71.18 (b) For purposes of this section and section 124D.862, "eligible district" means a
 71.19 district required to submit a plan to the commissioner under Minnesota Rules governing
 71.20 school desegregation and integration.

71.21 (c) Eligible districts must use the revenue under section 124D.862 to pursue racial
 71.22 and economic integration in schools through: (1) in-school educational practices and
 71.23 integrated learning environments created to prepare all students to be effective citizens,
 71.24 enhance social cohesion, and reinforce democratic values; and (2) corresponding
 71.25 and meaningful policies and curricula and trained instructors, administrators, school
 71.26 counselors, and other advocates who support and enhance in-school practices and
 71.27 integrated learning environments under this section. In-school practices and integrated
 71.28 learning environments must promote increased student academic achievement, cultural
 71.29 fluency, graduation and educational attainment rates, and parent involvement.

71.30 **Subd. 2. Plan components.** (a) The school board of each eligible district must
 71.31 formally develop and implement a long-term comprehensive plan that identifies the
 71.32 collaborative structures and systems, in-school strategies, inclusive best educational
 71.33 practices, and partnerships with higher education institutions and industries required
 71.34 to effect this section and increase the academic achievement of all students. Plan
 71.35 components may include: innovative and integrated prekindergarten through grade 12

72.1 learning environments that offer students school enrollment choices; family engagement
72.2 initiatives that involve families in their students' academic life and success; professional
72.3 development opportunities for teachers and administrators focused on improving the
72.4 academic achievement of all students; increased programmatic opportunities focused
72.5 on rigor and college and career readiness for underserved students, including students
72.6 enrolled in alternative learning centers under section 123A.05, public alternative programs
72.7 under section 126C.05, subdivision 15, or contract alternative programs under section
72.8 124D.69, among other underserved students; or recruitment and retention of teachers and
72.9 administrators with diverse backgrounds. The plan must specify district and school goals
72.10 for reducing the disparity in academic achievement among all racial and ethnic categories of
72.11 students and promoting racial and economic integration in schools and districts over time.

72.12 (b) Among other requirements, an eligible district must implement a cost-effective,
72.13 research-based intervention that includes formative assessment practices to reduce the
72.14 disparity in student academic achievement between the highest and lowest performing
72.15 racial and ethnic categories of students as measured by student demonstration of
72.16 proficiency on state reading and math assessments.

72.17 (c) Eligible districts must collaborate in creating efficiencies and eliminating the
72.18 duplication of programs and services under this section, which may include forming a
72.19 single, seven-county metropolitan areawide partnership of eligible districts for this purpose.

72.20 Subd. 3. **Biennial progress; budget process.** (a) To receive revenue under section
72.21 124D.862, the school board of an eligible district must hold at least one formal hearing by
72.22 March 1 in the year preceding the current biennium to report to the public its progress in
72.23 realizing the goals identified in its plan. At the hearing, the board must provide the public
72.24 with longitudinal data demonstrating district and school progress in reducing the disparity
72.25 in student academic achievement among all racial and ethnic categories of students and
72.26 realizing racial and economic integration, consistent with its plan and the measures in
72.27 paragraph (b). At least 30 days before the formal hearing under this paragraph, the
72.28 board must post on the district Web site, in an understandable, readily accessible format,
72.29 up-to-date longitudinal data on district and school progress in reducing disparities in
72.30 students' academic achievement, consistent with this subdivision. The district also must
72.31 submit to the commissioner by March 1 in the year preceding the current biennium a
72.32 detailed biennial budget for continuing to implement its plan and the commissioner must
72.33 review and approve or disapprove the budget by June 1 of that year.

72.34 (b) The longitudinal data required under paragraph (a) must be based on one or
72.35 more of the following measures:

- 73.1 (1) the number of world language proficiency or high achievement certificates
 73.2 awarded under section 120B.022, subdivision 1, paragraphs (b) and (c);
 73.3 (2) student growth and progress toward proficiency in reading or mathematics as
 73.4 defined under section 120B.299;
 73.5 (3) adequate yearly progress under section 120B.35, subdivision 2;
 73.6 (4) preparation for postsecondary academic and career opportunities under section
 73.7 120B.35, subdivision 3, paragraph (c), clause (1);
 73.8 (5) rigorous coursework completed under section 120B.35, subdivision 3, paragraph
 73.9 (c), clause (2); or
 73.10 (6) school safety and students' engagement and connection at school under section
 73.11 120B.35, subdivision 3, paragraph (d).

73.12 Subd. 4. **Evaluation.** The commissioner must evaluate the efficacy of district
 73.13 plans in reducing the disparity in student academic achievement among all racial and
 73.14 ethnic categories of students and realizing racial and economic integration and report the
 73.15 commissioner's findings to the legislative committees with jurisdiction over kindergarten
 73.16 through grade 12 education by February 1 every fourth year beginning February 1, 2017.

73.17 **EFFECTIVE DATE.** This section is effective for fiscal year 2014 and later.

73.18 Sec. 21. **[124D.862] ACHIEVEMENT AND INTEGRATION REVENUE.**

73.19 Subdivision 1. **Eligibility.** A school district is eligible for achievement and
 73.20 integration revenue under this section if the district has a biennial achievement and
 73.21 integration plan approved by the department under section 124D.861.

73.22 Subd. 2. **Achievement and integration revenue.** (a) An eligible district's initial
 73.23 achievement and integration revenue equals the sum of (1) \$350 times the district's pupil
 73.24 units for that year times the ratio of the district's enrollment of protected students for the
 73.25 previous school year to total enrollment for the previous school year, and (2) the greater of
 73.26 zero or 65 percent of the difference between the district's integration revenue for fiscal
 73.27 year 2013 and the district's integration revenue for fiscal year 2014 under clause (1).

73.28 (b) In each year, 0.2 percent of each district's initial achievement and integration
 73.29 revenue is transferred to the department for the oversight and accountability activities
 73.30 required under this section and section 124D.861.

73.31 (c) A district that did not meet its achievement goals established in section 124D.861
 73.32 for the previous biennium must have its initial achievement and integration revenue
 73.33 reduced by five percent for the current year.

74.1 (d) Any revenue saved by the reductions in paragraph (c) must be proportionately
74.2 reallocated on a per-pupil basis to all districts that met their achievement goals in the
74.3 previous biennium.

74.4 Subd. 3. **Achievement and integration aid.** A district's achievement and
74.5 integration aid equals 70 percent of its achievement and integration revenue.

74.6 Subd. 4. **Achievement and integration levy.** A district's achievement and
74.7 integration levy equals the difference between its achievement and integration revenue
74.8 and its achievement and integration aid. For Special School District No. 1, Minneapolis,
74.9 Independent School District No. 625, St. Paul, and Independent School District No. 709,
74.10 Duluth, 100 percent of the levy certified under this subdivision is shifted into the prior
74.11 calendar year for purposes of sections 123B.75, subdivision 5, and 127A.441.

74.12 Subd. 5. **Incentive revenue.** An eligible school district's maximum incentive
74.13 revenue equals \$10 per pupil unit. In order to receive this revenue, a district must be
74.14 implementing a voluntary plan to reduce racial enrollment disparities through intradistrict
74.15 and interdistrict activities that have been approved as a part of the district's achievement
74.16 and integration plan.

74.17 Subd. 6. **Revenue reserved.** Integration revenue received under this section must
74.18 be reserved and used only for the programs authorized in subdivision 7.

74.19 Subd. 7. **Revenue uses.** At least 80 percent of a district's achievement and
74.20 integration revenue received under this section must be used for innovative and integrated
74.21 learning environments, family engagement activities, and other approved programs
74.22 providing direct services to students. Up to 20 percent of the revenue may be used for
74.23 professional development and staff development activities, pupil transportation, placement
74.24 services, and other administrative expenditures.

74.25 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2014
74.26 and later.

74.27 Sec. 22. **TEACHER LICENSURE ADVISORY TASK FORCE.**

74.28 (a) A Teacher Licensure Advisory Task Force is established to make
74.29 recommendations to the Board of Teaching, the commissioner of education, and the
74.30 education committees of the legislature on requirements for: teacher applicants to
74.31 demonstrate mastery of basic reading, writing, and mathematics skills through nationally
74.32 normed assessments, a basic skills portfolio, or accredited college coursework, among other
74.33 methods of demonstrating basic skills mastery; and an alternative licensure pathway for
74.34 nonnative English speakers seeking licensure to teach in a language immersion program.

75.1 (b) Task force recommendations on how teacher candidates demonstrate basic skills
75.2 mastery must encompass the following criteria:

75.3 (1) assessment content must be relevant to the teacher's subject area licensure;

75.4 (2) the scope of assessment content must be documented in sufficient detail to
75.5 correspond to a similarly detailed description of relevant public school curriculum;

75.6 (3) the scope of assessment content must be publicly available and readily accessible
75.7 on the Web site of the Board of Teaching and all Minnesota public teacher preparation
75.8 programs and institutions;

75.9 (4) the Board of Teaching and all Minnesota public teacher preparation programs
75.10 and institutions, upon request, must make available to the public at cost a written review
75.11 of the scope of assessment content;

75.12 (5) if applicable, the Board of Teaching and all Minnesota public teacher preparation
75.13 programs and institutions annually must post on their Web site up-to-date longitudinal
75.14 summary data showing teacher candidates' overall passing rate and the passing rate for
75.15 each demographic group of teacher candidates taking a basic skills assessment in that
75.16 school year and in previous school years;

75.17 (6) reliable evidence showing assessment content is not culturally biased;

75.18 (7) the Board of Teaching and all Minnesota public teacher preparation programs
75.19 and institutions must appropriately accommodate teacher candidates with documented
75.20 learning disabilities; and

75.21 (8) if applicable, give timely, detailed feedback to teacher candidates who do not
75.22 pass the basic skills assessment sufficient for the candidate to target specific areas of
75.23 deficiency for appropriate remediation.

75.24 (c) The Teacher Licensure Advisory Task Force shall be composed of the following
75.25 members:

75.26 (1) two members of the Board of Teaching appointed by the board's executive
75.27 director;

75.28 (2) two representatives from the Department of Education appointed by the
75.29 commissioner of education;

75.30 (3) two members of the house of representatives appointed by the speaker of the
75.31 house, one from the minority party and one from the majority party;

75.32 (4) two members of the senate appointed by the Subcommittee on Committees of
75.33 the Committee on Rules and Administration of the senate, one from the minority party
75.34 and one from the majority party;

75.35 (5) one elementary school principal from rural Minnesota appointed by the
75.36 Minnesota Elementary School Principals Association and one secondary school principal

76.1 from the seven-county metropolitan area appointed by the Minnesota Secondary School
 76.2 Principals Association;

76.3 (6) one licensed and practicing public elementary school teacher and one licensed
 76.4 and practicing secondary school teacher appointed by Education Minnesota;

76.5 (7) one teacher preparation faculty member each from the University of Minnesota
 76.6 system appointed by the system president, the Minnesota State Colleges and Universities
 76.7 system appointed by the system chancellor, and the Minnesota Private Colleges and
 76.8 Universities system appointed by the Minnesota Private Colleges Council;

76.9 (8) one member of the Nonpublic Education Council appointed by the council; and

76.10 (9) one representative of Minnesota charter schools appointed by the Minnesota
 76.11 Charter Schools Association.

76.12 (d) The executive director of the Board of Teaching and the commissioner of
 76.13 education jointly must convene the task force by August 1, 2013. Task force members
 76.14 are not eligible for compensation or reimbursement for expenses related to task force
 76.15 activities. The executive director of the board and the commissioner of education must
 76.16 provide technical assistance to task force members upon request.

76.17 (e) By February 1, 2014, task force members must submit to the Board of Teaching,
 76.18 the commissioner of education, and the education committees of the legislature their
 76.19 written recommendations on requirements for teacher applicants to demonstrate mastery of
 76.20 basic reading, writing, and mathematics skills and for an alternative licensure pathway for
 76.21 nonnative English speakers seeking licensure to teach in a language immersion program.

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

76.23 **Sec. 23. SCHOOL CLIMATE CENTER FIRST-YEAR PRIORITIES.**

76.24 (a) During the first year the school climate center operates under Minnesota Statutes,
 76.25 section 121A.08, the center shall:

76.26 (1) work in partnership with the Department of Public Safety school safety center
 76.27 and other appropriate entities to establish and staff the school climate council under
 76.28 Minnesota Statutes, section 121A.07;

76.29 (2) develop and disseminate a model bullying and intimidation prevention policy
 76.30 for schools;

76.31 (3) provide regional training and technical assistance to schools on best practices for
 76.32 ensuring a positive school climate;

76.33 (4) collaborate with other entities to establish and make accessible baseline data to
 76.34 inform and guide efforts to improve the school climate; and

77.1 (5) develop a tool kit, available through the Department of Education Web site, of
 77.2 current research-based practices that promote positive learning environments and help
 77.3 repair learning environments when harm occurs, including materials appropriate for use
 77.4 with diverse and special needs populations.

77.5 (b) When appropriate, and consistent with federal and state data privacy laws,
 77.6 data under paragraph (a), clause (4), shall be made available for analysis at population
 77.7 subgroup, school site, and district, regional, and statewide levels.

77.8 **Sec. 24. STUDENT SUPPORT SERVICES; TEAM STAFFING APPROACH.**

77.9 The commissioner of education shall develop and submit to the kindergarten
 77.10 through grade 12 education policy and finance committees of the legislature by February
 77.11 1, 2014, recommendations for providing professional support services, including school
 77.12 counseling, psychology, nursing, social work, and chemical dependency services, to
 77.13 public school students throughout Minnesota using a team staffing structure. The
 77.14 recommendations must reflect (i) the extent to which students need academic, career,
 77.15 personal, social, and early-onset mental health services and (ii) the extent to which
 77.16 such services or teams do not exist, are incomplete or inadequate given the number of
 77.17 students implicated, or are not funded or reimbursed from nonstate sources, and where
 77.18 caseloads for individual team members exceed established professional guidelines or
 77.19 recommendations by more than 50 percent.

77.20 **Sec. 25. APPROPRIATIONS.**

77.21 Subdivision 1. **Department.** The sums indicated in this section are appropriated
 77.22 from the general fund to the Department of Education for the fiscal years designated.

77.23 Subd. 2. **Integration aid.** For integration aid under Minnesota Statutes, section
 77.24 124D.86:

77.25	\$	<u>17,197,000</u>	.....	<u>2014</u>
77.26	\$	<u>0</u>	.....	<u>2015</u>

77.27 The 2014 appropriation includes \$17,197,000 for 2013 and \$0 for 2014.

77.28 The 2015 appropriation includes \$0 for 2014 and \$0 for 2015.

77.29 Subd. 3. **Achievement and integration aid.** For achievement and integration aid
 77.30 under Minnesota Statutes, section 124D.861:

77.31	\$	<u>58,911,000</u>	.....	<u>2014</u>
77.32	\$	<u>68,623,000</u>	.....	<u>2015</u>

77.33 The 2014 appropriation includes \$0 for 2013 and \$58,911,000 for 2014.

78.1 The 2015 appropriation includes \$9,273,000 for 2014 and \$59,350,000 for 2015.

78.2 Subd. 4. **Literacy incentive aid.** For literacy incentive aid under Minnesota
78.3 Statutes, section 124D.98:

78.4 \$ 52,514,000 2014

78.5 \$ 53,818,000 2015

78.6 The 2014 appropriation includes \$6,607,000 for 2013 and \$45,907,000 for 2014.

78.7 The 2015 appropriation includes \$7,225,000 for 2014 and \$46,593,000 for 2015.

78.8 Subd. 5. **Interdistrict desegregation or integration transportation grants.** For
78.9 interdistrict desegregation or integration transportation grants under Minnesota Statutes,
78.10 section 124D.87:

78.11 \$ 13,968,000 2014

78.12 \$ 14,712,000 2015

78.13 Subd. 6. **Success for the future.** For American Indian success for the future grants
78.14 under Minnesota Statutes, section 124D.81:

78.15 \$ 2,137,000 2014

78.16 \$ 2,137,000 2015

78.17 The 2014 appropriation includes \$290,000 for 2013 and \$1,847,000 for 2014.

78.18 The 2015 appropriation includes \$290,000 for 2014 and \$1,847,000 for 2015.

78.19 Subd. 7. **American Indian teacher preparation grants.** For joint grants to assist
78.20 American Indian people to become teachers under Minnesota Statutes, section 122A.63:

78.21 \$ 190,000 2014

78.22 \$ 190,000 2015

78.23 Subd. 8. **Tribal contract schools.** For tribal contract school aid under Minnesota
78.24 Statutes, section 124D.83:

78.25 \$ 2,090,000 2014

78.26 \$ 2,252,000 2015

78.27 The 2014 appropriation includes \$266,000 for 2013 and \$1,824,000 for 2014.

78.28 The 2015 appropriation includes \$285,000 for 2014 and \$1,967,000 for 2015.

78.29 Subd. 9. **Early childhood programs at tribal schools.** For early childhood family
78.30 education programs at tribal contract schools under Minnesota Statutes, section 124D.83,
78.31 subdivision 4:

79.1 \$ 68,000 2014
 79.2 \$ 68,000 2015

79.3 Subd. 10. Examination fees; teacher training and support programs. (a) For
 79.4 students' advanced placement and international baccalaureate examination fees under
 79.5 Minnesota Statutes, section 120B.13, subdivision 3, and the training and related costs
 79.6 for teachers and other interested educators under Minnesota Statutes, section 120B.13,
 79.7 subdivision 1:

79.8 \$ 4,500,000 2014
 79.9 \$ 4,500,000 2015

79.10 (b) The advanced placement program shall receive 75 percent of the appropriation
 79.11 each year and the international baccalaureate program shall receive 25 percent of the
 79.12 appropriation each year. The department, in consultation with representatives of the
 79.13 advanced placement and international baccalaureate programs selected by the Advanced
 79.14 Placement Advisory Council and the Minnesota Association of IB World Schools,
 79.15 respectively, shall determine the amounts of the expenditures each year for examination
 79.16 fees and training and support programs for each program.

79.17 (c) Notwithstanding Minnesota Statutes, section 120B.13, subdivision 1, at least
 79.18 \$500,000 each year is for teachers to attend subject matter summer training programs
 79.19 and follow-up support workshops approved by the advanced placement or international
 79.20 baccalaureate programs. The amount of the subsidy for each teacher attending an
 79.21 advanced placement or international baccalaureate summer training program or workshop
 79.22 shall be the same. The commissioner shall determine the payment process and the amount
 79.23 of the subsidy.

79.24 (d) The commissioner shall pay all examination fees for all students of low-income
 79.25 families under Minnesota Statutes, section 120B.13, subdivision 3, and to the extent
 79.26 of available appropriations shall also pay examination fees for students sitting for an
 79.27 advanced placement examination, international baccalaureate examination, or both.

79.28 Any balance in the first year does not cancel but is available in the second year.

79.29 Subd. 11. Concurrent enrollment program. For concurrent enrollment programs
 79.30 under Minnesota Statutes, section 124D.091:

79.31 \$ 2,000,000 2014
 79.32 \$ 2,000,000 2015

79.33 If the appropriation is insufficient, the commissioner must proportionately reduce
 79.34 the aid payment to each district.

79.35 Any balance in the first year does not cancel but is available in the second year.

80.1 Subd. 12. Collaborative urban educator. For the collaborative urban educator
80.2 grant program:

80.3 \$ 776,000 2014

80.4 \$ 776,000 2015

80.5 \$224,000 each year is for the Southeast Asian teacher program at Concordia
80.6 University, St. Paul; \$184,000 each year is for the collaborative educator program at the
80.7 University of St. Thomas; \$184,000 each year is for the Center for Excellence in Urban
80.8 Teaching at Hamline University; and \$184,000 each year is for East African teacher
80.9 educator activities at Augsburg College.

80.10 Any balance in the first year does not cancel but is available in the second year.

80.11 Each institution shall prepare for the legislature, by January 15 of each year, a
80.12 detailed report regarding the funds used. The report must include the number of teachers
80.13 prepared as well as the diversity for each cohort of teachers produced.

80.14 Subd. 13. ServeMinnesota program. For funding ServeMinnesota programs under
80.15 Minnesota Statutes, sections 124D.37 to 124D.45:

80.16 \$ 900,000 2014

80.17 \$ 900,000 2015

80.18 A grantee organization may provide health and child care coverage to the dependents
80.19 of each participant enrolled in a full-time ServeMinnesota program to the extent such
80.20 coverage is not otherwise available.

80.21 Subd. 14. Student organizations. For student organizations:

80.22 \$ 725,000 2014

80.23 \$ 725,000 2015

80.24 \$45,695 each year is for student organizations serving health occupations (HOSA).

80.25 \$42,830 each year is for student organizations serving service occupations (HERO).

80.26 \$100,130 each year is for student organizations serving trade and industry
80.27 occupations (Skills USA, secondary and postsecondary).

80.28 \$95,355 each year is for student organizations serving business occupations (BPA,
80.29 secondary and postsecondary).

80.30 \$149,790 each year is for student organizations serving agriculture occupations
80.31 (FFA, PAS).

80.32 \$142,150 each year is for student organizations serving family and consumer science
80.33 occupations (FCCLA).

80.34 \$108,725 each year is for student organizations serving marketing occupations
80.35 (DECA and DECA collegiate).

81.1 \$40,325 each year is for the Minnesota Foundation for Student Organizations.

81.2 Any balance in the first year does not cancel but is available in the second year.

81.3 Subd. 15. **Early childhood literacy programs.** For early childhood literacy

81.4 programs under Minnesota Statutes, section 119A.50, subdivision 3:

81.5 \$ 4,125,000 2014

81.6 \$ 4,125,000 2015

81.7 Up to \$4,125,000 each year is for leveraging federal and private funding to support

81.8 AmeriCorps members serving in the Minnesota reading corps program established by

81.9 ServeMinnesota, including costs associated with the training and teaching of early literacy

81.10 skills to children age three to grade 3 and the evaluation of the impact of the program

81.11 under Minnesota Statutes, sections 124D.38, subdivision 2, and 124D.42, subdivision 6.

81.12 Any balance in the first year does not cancel but is available in the second year.

81.13 Subd. 16. **Minnesota math corps program.** For the Minnesota math corps program

81.14 under Minnesota Statutes, section 124D.42, subdivision 9:

81.15 \$ 250,000 2014

81.16 \$ 250,000 2015

81.17 Any unexpended balance in the first year does not cancel but is available in the

81.18 second year.

81.19 Subd. 17. **Minnesota Principals' Academy.** For a grant to the University of

81.20 Minnesota, College of Education and Human Development, for the operation of the

81.21 Minnesota Principals' Academy:

81.22 \$ 235,000 2014

81.23 \$ 215,000 2015

81.24 Any balance in the first year does not cancel but is available in the second year. The

81.25 base appropriation for this program for fiscal year 2016 and later is \$250,000.

81.26 Subd. 18. **Regional centers of excellence.** For regional centers of excellence under

81.27 Minnesota Statutes, section 126C.101, subdivision 4:

81.28 \$ 1,500,000 2014

81.29 \$ 3,000,000 2015

81.30 The base for the regional centers of excellence in fiscal years 2016 and 2017 is

81.31 \$4,500,000 each year.

81.32 Subd. 19. **School Climate Center.** For the School Climate Center under Minnesota

81.33 Statutes, section 121A.08:

83.1 charter under this circumstance must demonstrate to the authorizer that the charter sought
83.2 is substantially different in purpose and program from the school the board closed and
83.3 that the proposed charter satisfies the requirements of this subdivision. If the school
83.4 board that closed the school authorizes the charter, it must document in its affidavit to the
83.5 commissioner that the charter is substantially different in program and purpose from
83.6 the school it closed.

83.7 An authorizer shall not approve an application submitted by a charter school
83.8 developer under subdivision 4, paragraph (a), if the application does not comply with this
83.9 subdivision. The commissioner shall not approve an affidavit submitted by an authorizer
83.10 under subdivision 4, paragraph (b), if the affidavit does not comply with this subdivision.

83.11 Subd. 2. **Applicability.** This section applies only to charter schools formed and
83.12 operated under this section.

83.13 Subd. 3. **Authorizer.** (a) For purposes of this section, the terms defined in this
83.14 subdivision have the meanings given them.

83.15 "Application" to receive approval as an authorizer means the proposal an eligible
83.16 authorizer submits to the commissioner under paragraph (c) before that authorizer is able
83.17 to submit any affidavit to charter to a school.

83.18 "Application" under subdivision 4 means the charter school business plan a
83.19 school developer submits to an authorizer for approval to establish a charter school that
83.20 documents the school developer's mission statement, school purposes, program design,
83.21 financial plan, governance and management structure, and background and experience,
83.22 plus any other information the authorizer requests. The application also shall include a
83.23 "statement of assurances" of legal compliance prescribed by the commissioner.

83.24 "Affidavit" means a written statement the authorizer submits to the commissioner
83.25 for approval to establish a charter school under subdivision 4 attesting to its review and
83.26 approval process before chartering a school.

83.27 (b) The following organizations may authorize one or more charter schools:

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

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

84.1 (i) is a member of the Minnesota Council of Nonprofits or the Minnesota Council on
84.2 Foundations;

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

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

84.6 (3) a Minnesota private college, notwithstanding clause (2), that grants two- or
84.7 four-year degrees and is registered with the Minnesota Office of Higher Education under
84.8 chapter 136A; community college, state university, or technical college governed by the
84.9 Board of Trustees of the Minnesota State Colleges and Universities; or the University
84.10 of Minnesota;

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

84.16 (5) single-purpose authorizers that are charitable, nonsectarian organizations formed
84.17 under section 501(c)(3) of the Internal Revenue Code of 1986 and incorporated in the state
84.18 of Minnesota whose sole purpose is to charter schools. Eligible organizations interested
84.19 in being approved as an authorizer under this paragraph must submit a proposal to the
84.20 commissioner that includes the provisions of paragraph (c) and a five-year financial plan.
84.21 Such authorizers shall consider and approve charter school applications using the criteria
84.22 provided in subdivision 4 and shall not limit the applications it solicits, considers, or
84.23 approves to any single curriculum, learning program, or method.

84.24 (c) An eligible authorizer under this subdivision must apply to the commissioner for
84.25 approval as an authorizer before submitting any affidavit to the commissioner to charter
84.26 a school. The application for approval as a charter school authorizer must demonstrate
84.27 the applicant's ability to implement the procedures and satisfy the criteria for chartering a
84.28 school under this section. The commissioner must approve or disapprove an application
84.29 within 45 business days of the application deadline. If the commissioner disapproves
84.30 the application, the commissioner must notify the applicant of the specific deficiencies
84.31 in writing and the applicant then has 20 business days to address the deficiencies to the
84.32 commissioner's satisfaction. After the 20 business days expire, the commissioner has 15
84.33 business days to make a final decision to approve or disapprove the application. Failing to
84.34 address the deficiencies to the commissioner's satisfaction makes an applicant ineligible to
84.35 be an authorizer. The commissioner, in establishing criteria for approval, must consider
84.36 the applicant's:

- 85.1 (1) capacity and infrastructure;
- 85.2 (2) application criteria and process;
- 85.3 (3) contracting process;
- 85.4 (4) ongoing oversight and evaluation processes; and
- 85.5 (5) renewal criteria and processes.
- 85.6 (d) An applicant must include in its application to the commissioner to be an
- 85.7 approved authorizer at least the following:
- 85.8 (1) how chartering schools is a way for the organization to carry out its mission;
- 85.9 (2) a description of the capacity of the organization to serve as an authorizer,
- 85.10 including the personnel who will perform the authorizing duties, their qualifications, the
- 85.11 amount of time they will be assigned to this responsibility, and the financial resources
- 85.12 allocated by the organization to this responsibility;
- 85.13 (3) a description of the application and review process the authorizer will use to
- 85.14 make decisions regarding the granting of charters;
- 85.15 (4) a description of the type of contract it will arrange with the schools it charters
- 85.16 that meets the provisions of subdivision 6;
- 85.17 (5) the process to be used for providing ongoing oversight of the school consistent
- 85.18 with the contract expectations specified in clause (4) that assures that the schools chartered
- 85.19 are complying with both the provisions of applicable law and rules, and with the contract;
- 85.20 (6) a description of the criteria and process the authorizer will use to grant expanded
- 85.21 applications under subdivision 4, paragraph (j);
- 85.22 (7) the process for making decisions regarding the renewal or termination of
- 85.23 the school's charter based on evidence that demonstrates the academic, organizational,
- 85.24 and financial competency of the school, including its success in increasing student
- 85.25 achievement and meeting the goals of the charter school agreement; and
- 85.26 (8) an assurance specifying that the organization is committed to serving as an
- 85.27 authorizer for the full five-year term.
- 85.28 (e) A disapproved applicant under this section may resubmit an application during a
- 85.29 future application period.
- 85.30 (f) If the governing board of an approved authorizer votes to withdraw as an
- 85.31 approved authorizer for a reason unrelated to any cause under subdivision 23, the
- 85.32 authorizer must notify all its chartered schools and the commissioner in writing by July
- 85.33 15 of its intent to withdraw as an authorizer on June 30 in the next calendar year. The
- 85.34 commissioner may approve the transfer of a charter school to a new authorizer under this
- 85.35 paragraph after the new authorizer submits an affidavit to the commissioner.
- 85.36 (g) The authorizer must participate in department-approved training.

86.1 ~~(h) An authorizer that chartered a school before August 1, 2009, must apply by~~
86.2 ~~June 30, 2012, to the commissioner for approval, under paragraph (c), to continue as an~~
86.3 ~~authorizer under this section. For purposes of this paragraph, an authorizer that fails to~~
86.4 ~~submit a timely application is ineligible to charter a school.~~

86.5 ~~(h)~~ (h) The commissioner shall review an authorizer's performance every five years
86.6 in a manner and form determined by the commissioner and may review an authorizer's
86.7 performance more frequently at the commissioner's own initiative or at the request of a
86.8 charter school operator, charter school board member, or other interested party. The
86.9 commissioner, after completing the review, shall transmit a report with findings to the
86.10 authorizer. If, consistent with this section, the commissioner finds that an authorizer has
86.11 not fulfilled the requirements of this section, the commissioner may subject the authorizer
86.12 to corrective action, which may include terminating the contract with the charter school
86.13 board of directors of a school it chartered. The commissioner must notify the authorizer
86.14 in writing of any findings that may subject the authorizer to corrective action and
86.15 the authorizer then has 15 business days to request an informal hearing before the
86.16 commissioner takes corrective action. If the commissioner terminates a contract between
86.17 an authorizer and a charter school under this paragraph, the commissioner may assist the
86.18 charter school in acquiring a new authorizer.

86.19 ~~(i)~~ (i) The commissioner may at any time take corrective action against an authorizer,
86.20 including terminating an authorizer's ability to charter a school for:

86.21 (1) failing to demonstrate the criteria under paragraph (c) under which the
86.22 commissioner approved the authorizer;

86.23 (2) violating a term of the chartering contract between the authorizer and the charter
86.24 school board of directors;

86.25 (3) unsatisfactory performance as an approved authorizer; or

86.26 (4) any good cause shown that provides the commissioner a legally sufficient reason
86.27 to take corrective action against an authorizer.

86.28 **Subd. 4. Formation of school.** (a) An authorizer, after receiving an application from
86.29 a school developer, may charter a licensed teacher under section 122A.18, subdivision
86.30 1, or a group of individuals that includes one or more licensed teachers under section
86.31 122A.18, subdivision 1, to operate a school subject to the commissioner's approval of the
86.32 authorizer's affidavit under paragraph (b). The school must be organized and operated as a
86.33 nonprofit corporation under chapter 317A and the provisions under the applicable chapter
86.34 shall apply to the school except as provided in this section.

87.1 Notwithstanding sections 465.717 and 465.719, a school district, subject to this
87.2 section and section 124D.11, may create a corporation for the purpose of establishing a
87.3 charter school.

87.4 (b) Before the operators may establish and operate a school, the authorizer must file
87.5 an affidavit with the commissioner stating its intent to charter a school. An authorizer
87.6 must file a separate affidavit for each school it intends to charter. The affidavit must state
87.7 the terms and conditions under which the authorizer would charter a school and how the
87.8 authorizer intends to oversee the fiscal and student performance of the charter school and to
87.9 comply with the terms of the written contract between the authorizer and the charter school
87.10 board of directors under subdivision 6. The commissioner must approve or disapprove the
87.11 authorizer's affidavit within 60 business days of receipt of the affidavit. If the commissioner
87.12 disapproves the affidavit, the commissioner shall notify the authorizer of the deficiencies
87.13 in the affidavit and the authorizer then has 20 business days to address the deficiencies.
87.14 If the authorizer does not address deficiencies to the commissioner's satisfaction, the
87.15 commissioner's disapproval is final. Failure to obtain commissioner approval precludes an
87.16 authorizer from chartering the school that is the subject of this affidavit.

87.17 (c) The authorizer may prevent an approved charter school from opening for
87.18 operation if, among other grounds, the charter school violates this section or does not meet
87.19 the ready-to-open standards that are part of the authorizer's oversight and evaluation
87.20 process or are stipulated in the charter school contract.

87.21 (d) The operators authorized to organize and operate a school, before entering into
87.22 a contract or other agreement for professional or other services, goods, or facilities,
87.23 must incorporate as a nonprofit corporation under chapter 317A and must establish a
87.24 board of directors composed of at least five members who are not related parties until a
87.25 timely election for members of the ongoing charter school board of directors is held
87.26 according to the school's articles and bylaws under paragraph (f). A charter school board
87.27 of directors must be composed of at least five members who are not related parties.
87.28 Staff members employed at the school, including teachers providing instruction under a
87.29 contract with a cooperative, members of the board of directors, and all parents or legal
87.30 guardians of children enrolled in the school are the voters eligible to elect the members
87.31 of the school's board of directors. A charter school must notify eligible voters of the
87.32 school board election dates at least 30 days before the election. Board of director meetings
87.33 must comply with chapter 13D.

87.34 (e) A charter school shall publish and maintain on the school's official Web site: (1)
87.35 the minutes of meetings of the board of directors, and of members and committees having
87.36 any board-delegated authority, for at least one calendar year from the date of publication;

88.1 (2) directory information for members of the board of directors and committees having
 88.2 board-delegated authority; and (3) identifying and contact information for the school's
 88.3 authorizer. Identifying and contact information for the school's authorizer must be
 88.4 included in other school materials made available to the public. Upon request of an
 88.5 individual, the charter school must also make available in a timely fashion financial
 88.6 statements showing all operations and transactions affecting income, surplus, and deficit
 88.7 during the school's last annual accounting period; and a balance sheet summarizing assets
 88.8 and liabilities on the closing date of the accounting period. A charter school also must ~~post~~
 88.9 ~~on its official Web site information identifying its authorizer and indicate how to contact~~
 88.10 ~~that authorizer and~~ include that same information about its authorizer in other school
 88.11 materials that it makes available to the public.

88.12 (f) Every charter school board member shall attend ~~ongoing~~ annual training
 88.13 throughout the member's term on the board governance, including. All new board
 88.14 members shall attend initial training on the board's role and responsibilities, employment
 88.15 policies and practices, and financial management. A new board member who does not
 88.16 begin the required initial training within six months after being seated and complete that
 88.17 training within 12 months of being seated on the board is automatically ineligible to
 88.18 continue to serve as a board member. The school shall include in its annual report the
 88.19 training attended by each board member during the previous year.

88.20 (g) The ongoing board must be elected before the school completes its third year of
 88.21 operation. Board elections must be held during the school year but may not be conducted
 88.22 on days when the school is closed for holidays, breaks, or vacations. The charter school
 88.23 board of directors shall be composed of at least five nonrelated members and include: (i)
 88.24 at least one licensed teacher employed as a teacher at the school or ~~a licensed teacher~~
 88.25 providing instruction under contract between the charter school and a cooperative; (ii) ~~the~~
 88.26 at least one parent or legal guardian of a student enrolled in the charter school who is not an
 88.27 employee of the charter school; and (iii) ~~an~~ at least one interested community member who
 88.28 resides in Minnesota and is not employed by the charter school and does not have a child
 88.29 enrolled in the school. The board ~~may be a teacher majority board composed~~ may include
 88.30 a majority of teachers, parents, or community members as described in this paragraph or it
 88.31 may have no clear majority. The chief financial officer and the chief administrator may only
 88.32 serve as ex-officio nonvoting board members ~~and may not serve as a voting member of the~~
 88.33 ~~board~~. No charter school employees shall ~~not~~ serve on the board unless other than teachers
 88.34 under item (i) ~~applies~~. Contractors providing facilities, goods, or services to a charter
 88.35 school shall not serve on the board of directors of the charter school. Board bylaws shall

89.1 outline the process and procedures for changing the board's governance ~~model~~ structure,
89.2 consistent with chapter 317A. A board may change its governance ~~model~~ structure only:

89.3 (1) by a majority vote of the board of directors and a majority vote of the licensed
89.4 teachers employed by the school as teachers, including licensed teachers providing
89.5 instruction under a contract between the school and a cooperative; and

89.6 (2) with the authorizer's approval.

89.7 Any change in board governance structure must conform with the composition of
89.8 the board structure established under this paragraph.

89.9 (h) The granting or renewal of a charter by an authorizer must not be conditioned
89.10 upon the bargaining unit status of the employees of the school.

89.11 (i) The granting or renewal of a charter school by an authorizer must not be
89.12 contingent on the charter school being required to contract, lease, or purchase services
89.13 or facilities from the authorizer or to enter into a contract with a corporation, contractor,
89.14 or individual with which the authorizer has a financial relationship or arrangement. Any
89.15 potential contract, ~~lease,~~ or purchase of service from an authorizer must be disclosed to
89.16 the commissioner, accepted through an open bidding process, and be a separate contract
89.17 from the charter contract. The school must document the open bidding process it used in
89.18 awarding the contract. The authorizer must document that the bid terms were competitive
89.19 in relation to the market and that the authorizer makes the same terms available to
89.20 schools that it does not authorize. An authorizer must not enter into a contract to provide
89.21 management and financial services for a school that it authorizes, unless the school
89.22 documents that it received at least two competitive bids.

89.23 (j) An authorizer may permit the board of directors of a charter school to expand
89.24 the operation of the charter school to additional sites or ~~to add additional~~ grades at the
89.25 school beyond those described in the authorizer's original affidavit as approved by
89.26 the commissioner only after submitting a supplemental affidavit for approval to the
89.27 commissioner in a form and manner prescribed by the commissioner. The supplemental
89.28 affidavit must document that:

89.29 (1) the proposed expansion plan demonstrates need and projected enrollment;

89.30 (2) the expansion is warranted, at a minimum, by longitudinal data demonstrating
89.31 students' improved academic performance and growth on statewide assessments under
89.32 chapter 120B;

89.33 (3) the charter school is financially sound and the financing it needs to implement
89.34 the proposed expansion exists; and

89.35 (4) the charter school has the governance structure and management capacity to
89.36 carry out its expansion.

90.1 (k) The commissioner shall have 30 business days to review and comment on the
 90.2 supplemental affidavit. The commissioner shall notify the authorizer of any deficiencies in
 90.3 the supplemental affidavit and the authorizer then has 20 business days to address, to the
 90.4 commissioner's satisfaction, any deficiencies in the supplemental affidavit. The school
 90.5 may not expand grades or add sites until the commissioner has approved the supplemental
 90.6 affidavit. The commissioner's approval or disapproval of a supplemental affidavit is final.

90.7 Subd. 4a. **Conflict of interest.** (a) An individual is prohibited from serving as a
 90.8 member of the charter school board of directors if the individual, an immediate family
 90.9 member, or the individual's partner is ~~an a full or part owner, employee or agent of, or~~ or
 90.10 ~~a contractor~~ principal with a for-profit or nonprofit entity or ~~individual~~ independent
 90.11 contractor with whom the charter school contracts, directly or indirectly, for professional
 90.12 services, goods, or facilities. An individual is prohibited from serving as a board member
 90.13 if an immediate family member is an employee of the school or is an individual with
 90.14 whom the school contracts, directly or indirectly, through full or part ownership, for
 90.15 professional services, goods, or facilities. A violation of this prohibition renders a contract
 90.16 voidable at the option of the commissioner or the charter school board of directors. A
 90.17 member of a charter school board of directors who violates this prohibition is individually
 90.18 liable to the charter school for any damage caused by the violation.

90.19 (b) No member of the board of directors, employee, officer, or agent of a charter
 90.20 school shall participate in selecting, awarding, or administering a contract if a conflict
 90.21 of interest exists. A conflict exists when:

- 90.22 (1) the board member, employee, officer, or agent;
 90.23 (2) the immediate family of the board member, employee, officer, or agent;
 90.24 (3) the partner of the board member, employee, officer, or agent; or
 90.25 (4) an organization that employs, or is about to employ any individual in clauses
 90.26 (1) to (3),

90.27 has a financial or other interest in the entity with which the charter school is contracting.
 90.28 A violation of this prohibition renders the contract void.

90.29 (c) Any employee, agent, or board member of the authorizer who participates
 90.30 in the initial review, approval, ongoing oversight, evaluation, or the charter renewal or
 90.31 nonrenewal process or decision is ineligible to serve on the board of directors of a school
 90.32 chartered by that authorizer.

90.33 (d) An individual may serve as a member of the board of directors if no conflict of
 90.34 interest under paragraph (a) exists.

90.35 (e) The conflict of interest provisions under this subdivision do not apply to
 90.36 compensation paid to a teacher employed as a teacher by the charter school ~~who~~ or a

91.1 teacher who provides instructional services to the charter school through a cooperative
 91.2 formed under chapter 308A when the teacher also serves as a member of on the charter
 91.3 school board of directors.

91.4 ~~(f) The conflict of interest provisions under this subdivision do not apply to a teacher~~
 91.5 ~~who provides services to a charter school through a cooperative formed under chapter~~
 91.6 ~~308A when the teacher also serves on the charter school board of directors.~~

91.7 Subd. 5. **Conversion of existing schools.** A board of an independent or special
 91.8 school district may convert one or more of its existing schools to charter schools under
 91.9 this section if 60 percent of the full-time teachers at the school sign a petition seeking
 91.10 conversion. The conversion must occur at the beginning of an academic year.

91.11 Subd. 6. **Charter contract.** The authorization for a charter school must be in the
 91.12 form of a written contract signed by the authorizer and the board of directors of the charter
 91.13 school. The contract must be completed within 45 business days of the commissioner's
 91.14 approval of the authorizer's affidavit. The authorizer shall submit to the commissioner a
 91.15 copy of the signed charter contract within ten business days of its execution. The contract
 91.16 for a charter school must be in writing and contain at least the following:

91.17 (1) a declaration that the charter school will carry out the primary purpose in
 91.18 subdivision 1 and how the school will report its implementation of the primary purpose;

91.19 ~~(1)~~ (2) a declaration of the any additional purposes in subdivision 1 that the school
 91.20 intends to carry out and how the school will report its implementation of those purposes;

91.21 ~~(2)~~ (3) a description of the school program and the specific academic and
 91.22 nonacademic outcomes that pupils must achieve;

91.23 ~~(3)~~ (4) a statement of admission policies and procedures;

91.24 ~~(4)~~ (5) a governance, management, and administration plan for the school;

91.25 ~~(5)~~ (6) signed agreements from charter school board members to comply with all
 91.26 federal and state laws governing organizational, programmatic, and financial requirements
 91.27 applicable to charter schools;

91.28 ~~(6)~~ (7) the criteria, processes, and procedures that the authorizer will use for
 91.29 ongoing oversight of operational, financial, and academic performance to monitor and
 91.30 evaluate the fiscal, operational, and academic performance consistent with subdivision
 91.31 15, paragraphs (a) and (b);

91.32 ~~(7)~~ (8) for contract renewal, the formal written performance evaluation of the school
 91.33 that is a prerequisite for reviewing a charter contract under subdivision 15;

91.34 ~~(8)~~ (9) types and amounts of insurance liability coverage to be obtained by the
 91.35 charter school, consistent with subdivision 8, paragraph (k);

92.1 ~~(9)~~ (10) consistent with subdivision 25, paragraph (d), a provision to indemnify and
 92.2 hold harmless the authorizer and its officers, agents, and employees from any suit, claim,
 92.3 or liability arising from any operation of the charter school, and the commissioner and
 92.4 department officers, agents, and employees notwithstanding section 3.736;

92.5 ~~(10)~~ (11) the term of the initial contract, which may be up to five years plus an
 92.6 additional preoperational planning year, and up to five years for a renewed contract or a
 92.7 contract with a new authorizer after a transfer of authorizers, if warranted by the school's
 92.8 academic, financial, and operational performance;

92.9 ~~(11)~~ (12) how the board of directors or the operators of the charter school will
 92.10 provide special instruction and services for children with a disability under sections
 92.11 125A.03 to 125A.24, and 125A.65, a description of the financial parameters within
 92.12 which the charter school will operate to provide the special instruction and services to
 92.13 children with a disability;

92.14 ~~(12) the process and criteria the authorizer intends to use to monitor and evaluate the~~
 92.15 ~~fiscal and student performance of the charter school, consistent with subdivision 15; and~~

92.16 (13) the specific conditions for contract renewal, which identify performance under
 92.17 the primary purpose of subdivision 1 as the most important factor in determining contract
 92.18 renewal; and

92.19 ~~(13)~~ (14) the plan for an orderly closing of the school under chapter 317A, ~~if~~
 92.20 whether the closure is a termination for cause, a voluntary termination, or a nonrenewal
 92.21 of the contract, ~~and~~ that includes establishing the responsibilities of the school board of
 92.22 directors and the authorizer and notifying the commissioner, authorizer, school district in
 92.23 which the charter school is located, and parents of enrolled students about the closure,
 92.24 the transfer of student records to students' resident districts, and procedures for closing
 92.25 financial operations.

92.26 Subd. 6a. **Audit report.** (a) The charter school must submit an audit report to the
 92.27 commissioner and its authorizer by December 31 each year.

92.28 (b) The charter school, with the assistance of the auditor conducting the audit,
 92.29 must include with the report, as supplemental information, a copy of all charter school
 92.30 agreements for corporate management services, including parent company or other
 92.31 administrative, financial, and staffing services. If the entity that provides the professional
 92.32 services to the charter school is exempt from taxation under section 501 of the Internal
 92.33 Revenue Code of 1986, that entity must file with the commissioner by February 15 a copy
 92.34 of the annual return required under section 6033 of the Internal Revenue Code of 1986.

92.35 (c) A charter school independent audit report shall include audited financial data of
 92.36 an affiliated building corporation or other component unit.

93.1 ~~(e)~~ (d) If the audit report finds that a material weakness exists in the financial
93.2 reporting systems of a charter school, the charter school must submit a written report to
93.3 the commissioner explaining how the material weakness will be resolved. An auditor,
93.4 as a condition of providing financial services to a charter school, must agree to make
93.5 available information about a charter school's financial audit to the commissioner and
93.6 authorizer upon request.

93.7 Subd. 7. **Public status; exemption from statutes and rules.** A charter school is
93.8 a public school and is part of the state's system of public education. A charter school is
93.9 exempt from all statutes and rules applicable to a school, school board, or school district
93.10 unless a statute or rule is made specifically applicable to a charter school or is included
93.11 in this section.

93.12 Subd. 8. **Federal, state, and local requirements.** (a) A charter school shall meet all
93.13 federal, state, and local health and safety requirements applicable to school districts.

93.14 (b) A school must comply with statewide accountability requirements governing
93.15 standards and assessments in chapter 120B.

93.16 (c) A school authorized by a school board may be located in any district, unless the
93.17 school board of the district of the proposed location disapproves by written resolution.

93.18 (d) A charter school must be nonsectarian in its programs, admission policies,
93.19 employment practices, and all other operations. An authorizer may not authorize a charter
93.20 school or program that is affiliated with a nonpublic sectarian school or a religious
93.21 institution. A charter school student must be released for religious instruction, consistent
93.22 with section 120A.22, subdivision 12, clause (3).

93.23 (e) Charter schools must not be used as a method of providing education or
93.24 generating revenue for students who are being home-schooled. This paragraph does not
93.25 apply to shared time aid under section 126C.19.

93.26 (f) The primary focus of a charter school must be to provide a comprehensive
93.27 program of instruction for at least one grade or age group from five through 18 years
93.28 of age. Instruction may be provided to people younger than five years and older than
93.29 18 years of age.

93.30 (g) A charter school may not charge tuition.

93.31 (h) A charter school is subject to and must comply with chapter 363A and section
93.32 121A.04.

93.33 (i) A charter school is subject to and must comply with the Pupil Fair Dismissal
93.34 Act, sections 121A.40 to 121A.56, and the Minnesota Public School Fee Law, sections
93.35 123B.34 to 123B.39.

94.1 (j) A charter school is subject to the same financial audits, audit procedures, and
94.2 audit requirements as a district, except as required under subdivision 6a. Audits must be
94.3 conducted in compliance with generally accepted governmental auditing standards, the
94.4 federal Single Audit Act, if applicable, and section 6.65. A charter school is subject
94.5 to and must comply with sections 15.054; 118A.01; 118A.02; 118A.03; 118A.04;
94.6 118A.05; 118A.06; 471.38; 471.391; 471.392; and 471.425. The audit must comply with
94.7 the requirements of sections 123B.75 to 123B.83, except to the extent deviations are
94.8 necessary because of the program at the school. Deviations must be approved by the
94.9 commissioner and authorizer. The Department of Education, state auditor, legislative
94.10 auditor, or authorizer may conduct financial, program, or compliance audits. A charter
94.11 school determined to be in statutory operating debt under sections 123B.81 to 123B.83
94.12 must submit a plan under section 123B.81, subdivision 4.

94.13 (k) A charter school is a district for the purposes of tort liability under chapter 466.

94.14 (l) A charter school must comply with chapters 13 and 13D; and sections 120A.22,
94.15 subdivision 7; 121A.75; and 260B.171, subdivisions 3 and 5.

94.16 (m) A charter school is subject to the Pledge of Allegiance requirement under
94.17 section 121A.11, subdivision 3.

94.18 (n) A charter school offering online courses or programs must comply with section
94.19 124D.095.

94.20 (o) A charter school and charter school board of directors are subject to chapter 181.

94.21 (p) A charter school must comply with section 120A.22, subdivision 7, governing
94.22 the transfer of students' educational records and sections 138.163 and 138.17 governing
94.23 the management of local records.

94.24 (q) A charter school that provides early childhood health and developmental
94.25 screening must comply with sections 121A.16 to 121A.19.

94.26 (r) A charter school that provides school-sponsored youth athletic activities must
94.27 comply with section 121A.38.

94.28 (s) A charter school is subject to and must comply with continuing truant notification
94.29 under section 260A.03.

94.30 Subd. 8a. **Aid reduction.** The commissioner may reduce a charter school's state aid
94.31 under section 127A.42 or 127A.43 if the charter school board fails to correct a violation
94.32 under this section.

94.33 Subd. 8b. **Aid reduction for violations.** The commissioner may reduce a charter
94.34 school's state aid by an amount not to exceed 60 percent of the charter school's basic
94.35 revenue for the period of time that a violation of law occurs.

94.36 Subd. 9. **Admission requirements.** (a) A charter school may limit admission to:

95.1 (1) pupils within an age group or grade level;

95.2 (2) pupils who are eligible to participate in the graduation incentives program under
95.3 section 124D.68; or

95.4 (3) residents of a specific geographic area in which the school is located when the
95.5 majority of students served by the school are members of underserved populations.

95.6 (b) A charter school shall enroll an eligible pupil who submits a timely application,
95.7 unless the number of applications exceeds the capacity of a program, class, grade level, or
95.8 building. In this case, pupils must be accepted by lot. The charter school must develop
95.9 and publish, including on its Web site, a lottery policy and process that it must use when
95.10 accepting pupils by lot.

95.11 (c) A charter school shall give enrollment preference to a sibling of an enrolled pupil
95.12 and to a foster child of that pupil's parents and may give preference for enrolling children
95.13 of the school's staff before accepting other pupils by lot.

95.14 (d) A person shall not be admitted to a charter school: (1) as a kindergarten pupil,
95.15 unless the pupil is at least five years of age on September 1 of the calendar year in which
95.16 the school year for which the pupil seeks admission commences; or (2) as a first grade
95.17 student, unless the pupil is at least six years of age on September 1 of the calendar year in
95.18 which the school year for which the pupil seeks admission commences or has completed
95.19 kindergarten; except that a charter school may establish and publish on its Web site a
95.20 policy for admission of selected pupils at an earlier age, consistent with the enrollment
95.21 process in paragraphs (b) and (c) and section 124D.02, subdivision 1.

95.22 (e) Except as permitted in paragraph (d), a charter school may not limit admission
95.23 to pupils on the basis of intellectual ability, measures of achievement or aptitude, or
95.24 athletic ability and may not establish any criteria or requirements for admission that are
95.25 inconsistent with this subdivision.

95.26 (f) The charter school shall not distribute any services or goods of value to students,
95.27 parents, or guardians as an inducement, term, or condition of enrolling a student in a
95.28 charter school.

95.29 Subd. 10. **Pupil performance.** A charter school must design its programs to at
95.30 least meet the outcomes adopted by the commissioner for public school students. In
95.31 the absence of the commissioner's requirements, the school must meet the outcomes
95.32 contained in the contract with the authorizer. The achievement levels of the outcomes
95.33 contained in the contract may exceed the achievement levels of any outcomes adopted by
95.34 the commissioner for public school students.

95.35 Subd. 11. **Employment and other operating matters.** (a) A charter school must
95.36 employ or contract with necessary teachers, as defined by section 122A.15, subdivision 1,

96.1 who hold valid licenses to perform the particular service for which they are employed in
 96.2 the school. The charter school's state aid may be reduced under section 127A.43 if the
 96.3 school employs a teacher who is not appropriately licensed or approved by the board of
 96.4 teaching. The school may employ necessary employees who are not required to hold
 96.5 teaching licenses to perform duties other than teaching and may contract for other services.
 96.6 The school may discharge teachers and nonlicensed employees. The charter school board
 96.7 is subject to section 181.932. When offering employment to a prospective employee, a
 96.8 charter school must give that employee a written description of the terms and conditions
 96.9 of employment and the school's personnel policies.

96.10 (b) A person, without holding a valid administrator's license, may perform
 96.11 administrative, supervisory, or instructional leadership duties. The board of directors shall
 96.12 establish qualifications for persons that hold administrative, supervisory, or instructional
 96.13 leadership roles. The qualifications shall include at least the following areas: instruction
 96.14 and assessment; human resource and personnel management; financial management;
 96.15 legal and compliance management; effective communication; and board, authorizer, and
 96.16 community relationships. The board of directors shall use those qualifications as the basis
 96.17 for job descriptions, hiring, and performance evaluations of those who hold administrative,
 96.18 supervisory, or instructional leadership roles. The board of directors and an individual
 96.19 who does not hold a valid administrative license and who serves in an administrative,
 96.20 supervisory, or instructional leadership position shall develop a professional development
 96.21 plan. Documentation of the implementation of the professional development plan of these
 96.22 persons shall be included in the school's annual report.

96.23 (c) The board of directors also shall decide and be responsible for policy matters
 96.24 related to the operation of the school, including budgeting, curriculum programming,
 96.25 personnel, and operating procedures. The board shall adopt a policy on nepotism in
 96.26 employment. The board shall adopt personnel evaluation policies and practices that,
 96.27 at a minimum:

- 96.28 (1) carry out the school's mission and goals;
 96.29 (2) evaluate the execution of charter contract goals and commitments;
 96.30 (3) evaluate student achievement, postsecondary and workforce readiness, and
 96.31 engagement goals; and
 96.32 (4) provide professional development related to the individual's job responsibilities.

96.33 Subd. 12. **Pupils with a disability.** A charter school must comply with sections
 96.34 125A.02, 125A.03 to 125A.24, and 125A.65 and rules relating to the education of pupils
 96.35 with a disability as though it were a district.

97.1 Subd. 13. **Length of school year.** A charter school must provide instruction each
 97.2 year for at least the number of hours required by section 120A.41. It may provide
 97.3 instruction throughout the year according to sections 124D.12 to 124D.127 or 124D.128.

97.4 Subd. 14. **Annual public reports.** A charter school must publish an annual report
 97.5 approved by the board of directors. The annual report must at least include information
 97.6 on school enrollment, student attrition, governance and management, staffing, finances,
 97.7 academic performance, ~~operational performance~~, innovative practices and implementation,
 97.8 and future plans. A charter school must post the annual report on the school's official
 97.9 Web site. A charter school must also distribute the annual report by publication, mail, or
 97.10 electronic means to ~~the commissioner,~~ its authorizer, school employees, and parents and
 97.11 legal guardians of students enrolled in the charter school ~~and must also post the report on~~
 97.12 ~~the charter school's official Web site.~~ The reports are public data under chapter 13.

97.13 Subd. 15. **Review and comment.** (a) The authorizer shall provide a formal written
 97.14 evaluation of the school's performance before the authorizer renews the charter contract.
 97.15 The department must review and comment on the authorizer's evaluation process at the
 97.16 time the authorizer submits its application for approval and each time the authorizer
 97.17 undergoes its five-year review under subdivision 3, paragraph (i).

97.18 (b) An authorizer shall monitor and evaluate the fiscal, operational, and student
 97.19 performance of the school, and may for this purpose annually assess a charter school
 97.20 a fee according to paragraph (c). The agreed-upon fee structure must be stated in the
 97.21 charter school contract.

97.22 (c) The fee that each charter school pays to an authorizer each year is the greater of:

97.23 (1) the basic formula allowance for that year; or

97.24 (2) the lesser of:

97.25 (i) the maximum fee factor times the basic formula allowance for that year; or

97.26 (ii) the fee factor times the basic formula allowance for that year times the charter
 97.27 school's adjusted marginal cost pupil units for that year. The fee factor equals ~~.005 in fiscal~~
 97.28 ~~year 2010, .01 in fiscal year 2011, .013 in fiscal year 2012, and .015 in fiscal years 2013~~
 97.29 ~~and later.~~ The maximum fee factor equals ~~1.5 in fiscal year 2010, 2.0 in fiscal year 2011,~~
 97.30 ~~3.0 in fiscal year 2012, and 4.0 in fiscal years 2013 and later.~~

97.31 (d) An authorizer may not assess a fee for any required services other than as
 97.32 provided in this subdivision.

97.33 (e) For the preoperational planning period, after a school is chartered, the authorizer
 97.34 may assess a charter school a fee equal to the basic formula allowance.

97.35 (f) By September 30 of each year, an authorizer shall submit to the commissioner a
 97.36 statement of income and expenditures related to chartering activities during the previous

98.1 school year ending June 30. A copy of the statement shall be given to all schools chartered
98.2 by the authorizer.

98.3 **Subd. 16. Transportation.** (a) A charter school after its first fiscal year of operation
98.4 by March 1 of each fiscal year and a charter school by July 1 of its first fiscal year of
98.5 operation must notify the district in which the school is located and the Department of
98.6 Education if it will provide its own transportation or use the transportation services of the
98.7 district in which it is located for the fiscal year.

98.8 (b) If a charter school elects to provide transportation for pupils, the transportation
98.9 must be provided by the charter school within the district in which the charter school is
98.10 located. The state must pay transportation aid to the charter school according to section
98.11 124D.11, subdivision 2.

98.12 For pupils who reside outside the district in which the charter school is located, the
98.13 charter school is not required to provide or pay for transportation between the pupil's
98.14 residence and the border of the district in which the charter school is located. A parent
98.15 may be reimbursed by the charter school for costs of transportation from the pupil's
98.16 residence to the border of the district in which the charter school is located if the pupil is
98.17 from a family whose income is at or below the poverty level, as determined by the federal
98.18 government. The reimbursement may not exceed the pupil's actual cost of transportation
98.19 or 15 cents per mile traveled, whichever is less. Reimbursement may not be paid for
98.20 more than 250 miles per week.

98.21 At the time a pupil enrolls in a charter school, the charter school must provide the
98.22 parent or guardian with information regarding the transportation.

98.23 (c) If a charter school does not elect to provide transportation, transportation for
98.24 pupils enrolled at the school must be provided by the district in which the school is
98.25 located, according to sections 123B.88, subdivision 6, and 124D.03, subdivision 8, for a
98.26 pupil residing in the same district in which the charter school is located. Transportation
98.27 may be provided by the district in which the school is located, according to sections
98.28 123B.88, subdivision 6, and 124D.03, subdivision 8, for a pupil residing in a different
98.29 district. If the district provides the transportation, the scheduling of routes, manner and
98.30 method of transportation, control and discipline of the pupils, and any other matter relating
98.31 to the transportation of pupils under this paragraph shall be within the sole discretion,
98.32 control, and management of the district.

98.33 **Subd. 17. Leased space.** A charter school may lease space from an independent
98.34 or special school board ~~eligible to be an authorizer~~, other public organization, private,
98.35 nonprofit nonsectarian organization, private property owner, or a sectarian organization
98.36 if the leased space is constructed as a school facility. The department must review and

99.1 approve or disapprove leases, including modifications and renewals prior to execution of
 99.2 the lease by the lessee and lessor, in a timely manner. Leases for a school year must be
 99.3 submitted to the department no later than July 1 before that school year. The commissioner
 99.4 may waive this date based on an appeal by a charter school when circumstances beyond
 99.5 the control of the charter school do not allow a lease agreement to be written prior to that
 99.6 date. The commissioner shall not approve a facility lease that does not have (1) a sum
 99.7 certain annual cost and (2) an escape clause that may be exercised by the charter school in
 99.8 the event of nonrenewal or termination of the charter school contract.

99.9 Subd. 17a. **Affiliated nonprofit building corporation.** (a) Before a charter school
 99.10 may organize an affiliated nonprofit building corporation (i) to renovate or purchase an
 99.11 existing facility to serve as a school or (ii) to expand an existing building or construct
 99.12 a new school facility, an authorizer must submit an affidavit to the commissioner for
 99.13 approval in the form and manner the commissioner prescribes, and consistent with
 99.14 paragraphs (b) and (c) or (d).

99.15 (b) An affiliated nonprofit building corporation under this subdivision must:

99.16 (1) be incorporated under section 317A;

99.17 (2) comply with applicable Internal Revenue Service regulations, including
 99.18 regulations for "supporting organizations" as defined by the Internal Revenue Service;

99.19 (3) submit to the commissioner each fiscal year a list of current board members
 99.20 and a copy of its annual audit; and

99.21 (4) comply with government data practices law under chapter 13.

99.22 An affiliated nonprofit building corporation must not serve as the leasing agent for
 99.23 property or facilities it does not own. A charter school that leases a facility from an
 99.24 affiliated nonprofit building corporation that does not own the leased facility is ineligible
 99.25 to receive charter school lease aid. The state is immune from liability resulting from a
 99.26 contract between a charter school and an affiliated nonprofit building corporation.

99.27 (c) A charter school may organize an affiliated nonprofit building corporation to
 99.28 renovate or purchase an existing facility to serve as a school if the charter school:

99.29 (1) has been operating for at least five consecutive school years;

99.30 (2) has had a net positive unreserved general fund balance as of June 30 in the
 99.31 preceding five fiscal years;

99.32 (3) has a long-range strategic and financial plan;

99.33 (4) completes a feasibility study of available buildings;

99.34 (5) documents enrollment projections and the need to use an affiliated building
 99.35 corporation to renovate or purchase an existing facility to serve as a school; and

100.1 (6) has a plan for the renovation or purchase, which describes the parameters and
100.2 budget for the project.

100.3 (d) A charter school may organize an affiliated nonprofit building corporation to
100.4 expand an existing school facility or construct a new school facility if the charter school:

100.5 (1) demonstrates the lack of facilities available to serve as a school;

100.6 (2) has been operating for at least eight consecutive school years;

100.7 (3) has had a net positive unreserved general fund balance as of June 30 in the
100.8 preceding five fiscal years;

100.9 (4) completes a feasibility study of facility options;

100.10 (5) has a long-range strategic and financial plan that includes enrollment projections
100.11 and demonstrates the need for constructing a new school facility; and

100.12 (6) has a plan for the expansion or new school facility, which describes the
100.13 parameters and budget for the project.

100.14 **Subd. 17b. Positive review and comment.** (e) A charter school or an affiliated
100.15 nonprofit building corporation organized by a charter school must not initiate an
100.16 installment contract for purchase, or a lease agreement, or solicit bids for new construction,
100.17 expansion, or remodeling of an educational facility that requires an expenditure in
100.18 excess of \$1,400,000, unless it meets the criteria in subdivision 17a, paragraph (b) and
100.19 paragraph (c) or (d), as applicable, and receives a positive review and comment from
100.20 the commissioner under section 123B.71.

100.21 **Subd. 19. Disseminate information.** (a) ~~The authorizer, the operators,~~ Authorizers
100.22 and the department must disseminate information to the public on how to form and
100.23 operate a charter school. Charter schools must disseminate information about how to
100.24 use the offerings of a charter school. Targeted groups include low-income families and
100.25 communities, students of color, and students who are at risk of academic failure.

100.26 (b) Authorizers, operators, and the department also may disseminate information
100.27 about the successful best practices in teaching and learning demonstrated by charter
100.28 schools.

100.29 **Subd. 20. Leave to teach in a charter school.** If a teacher employed by a district
100.30 makes a written request for an extended leave of absence to teach at a charter school,
100.31 the district must grant the leave. The district must grant a leave not to exceed a total of
100.32 five years. Any request to extend the leave shall be granted only at the discretion of the
100.33 school board. The district may require that the request for a leave or extension of leave
100.34 be made before February 1 in the school year preceding the school year in which the
100.35 teacher intends to leave, or February 1 of the calendar year in which the teacher's leave is
100.36 scheduled to terminate. Except as otherwise provided in this subdivision and except for

101.1 section 122A.46, subdivision 7, the leave is governed by section 122A.46, including, but
101.2 not limited to, reinstatement, notice of intention to return, seniority, salary, and insurance.

101.3 During a leave, the teacher may continue to aggregate benefits and credits in the
101.4 Teachers' Retirement Association account under chapters 354 and 354A, consistent with
101.5 subdivision 22.

101.6 Subd. 21. **Collective bargaining.** Employees of the board of directors of a charter
101.7 school may, if otherwise eligible, organize under chapter 179A and comply with its
101.8 provisions. The board of directors of a charter school is a public employer, for the
101.9 purposes of chapter 179A, upon formation of one or more bargaining units at the school.
101.10 Bargaining units at the school must be separate from any other units within an authorizing
101.11 district, except that bargaining units may remain part of the appropriate unit within an
101.12 authorizing district, if the employees of the school, the board of directors of the school,
101.13 the exclusive representative of the appropriate unit in the authorizing district, and the
101.14 board of the authorizing district agree to include the employees in the appropriate unit of
101.15 the authorizing district.

101.16 Subd. 22. **Teacher and other employee retirement.** (a) Teachers in a charter
101.17 school must be public school teachers for the purposes of chapters 354 and 354A.

101.18 (b) Except for teachers under paragraph (a), employees in a charter school must be
101.19 public employees for the purposes of chapter 353.

101.20 Subd. 23. **Causes for nonrenewal or termination of charter school contract.** (a)
101.21 The duration of the contract with an authorizer must be for the term contained in the
101.22 contract according to subdivision 6. The authorizer may or may not renew a contract at
101.23 the end of the term for any ground listed in paragraph (b). An authorizer may unilaterally
101.24 terminate a contract during the term of the contract for any ground listed in paragraph (b).
101.25 At least 60 business days before not renewing or terminating a contract, the authorizer
101.26 shall notify the board of directors of the charter school of the proposed action in writing.
101.27 The notice shall state the grounds for the proposed action in reasonable detail and that the
101.28 charter school's board of directors may request in writing an informal hearing before the
101.29 authorizer within 15 business days of receiving notice of nonrenewal or termination of
101.30 the contract. Failure by the board of directors to make a written request for an informal
101.31 hearing within the 15-business-day period shall be treated as acquiescence to the proposed
101.32 action. Upon receiving a timely written request for a hearing, the authorizer shall give ten
101.33 business days' notice to the charter school's board of directors of the hearing date. The
101.34 authorizer shall conduct an informal hearing before taking final action. The authorizer
101.35 shall take final action to renew or not renew a contract no later than 20 business days
101.36 before the proposed date for terminating the contract or the end date of the contract.

102.1 (b) A contract may be terminated or not renewed upon any of the following grounds:

102.2 (1) failure to ~~meet~~ demonstrate satisfactory academic achievement for all groups of
102.3 students, including the requirements for pupil performance contained in the contract;

102.4 (2) failure to meet generally accepted standards of fiscal management;

102.5 (3) violations of law; or

102.6 (4) other good cause shown.

102.7 If a contract is terminated or not renewed under this paragraph, the school must be
102.8 dissolved according to the applicable provisions of chapter 317A.

102.9 ~~(e) If the authorizer and the charter school board of directors mutually agree to~~
102.10 ~~terminate or not renew the contract, a change in authorizers is allowed if the commissioner~~
102.11 ~~approves the change to a different eligible authorizer to authorize the charter school.~~

102.12 ~~Both parties must jointly submit their intent in writing to the commissioner to mutually~~
102.13 ~~terminate the contract. The authorizer that is a party to the existing contract must inform~~
102.14 ~~the proposed authorizer about the fiscal and operational status and student performance~~
102.15 ~~of the school. Before the commissioner determines whether to approve a change in~~
102.16 ~~authorizer, the proposed authorizer must identify any outstanding issues in the proposed~~
102.17 ~~charter contract that were unresolved in the previous charter contract and have the charter~~
102.18 ~~school agree to resolve those issues. If no change in authorizer is approved, the school~~
102.19 ~~must be dissolved according to applicable law and the terms of the contract.~~

102.20 (c) If the authorizer and the charter school board of directors mutually agree not to
102.21 renew the contract, a change in authorizers is allowed. The authorizer and the school
102.22 board must jointly submit a written and signed letter of their intent to the commissioner
102.23 to mutually not renew the contract. The authorizer that is a party to the existing contract
102.24 must inform the proposed authorizer about the fiscal, operational, and student performance
102.25 status of the school, as well as any outstanding contractual obligations that exist. The
102.26 charter contract between the proposed authorizer and the school must identify and provide
102.27 a plan to address any outstanding obligations from the previous contract. The proposed
102.28 contract must be submitted at least 105 business days before the end of the existing
102.29 charter contract. The commissioner shall have 30 business days to review and make a
102.30 determination. The proposed authorizer and the school shall have 15 business days to
102.31 respond to the determination and address any issues identified by the commissioner. A
102.32 final determination by the commissioner shall be made no later than 45 business days
102.33 before the end of the current charter contract. If no change in authorizer is approved, the
102.34 school and the current authorizer may withdraw their letter of nonrenewal and enter into a
102.35 new contract. If the transfer of authorizers is not approved and the current authorizer and

103.1 the school do not withdraw their letter and enter into a new contract, the school must be
103.2 dissolved according to applicable law and the terms of the contract.

103.3 (d) The commissioner, after providing reasonable notice to the board of directors of
103.4 a charter school and the existing authorizer, and after providing an opportunity for a public
103.5 hearing, may terminate the existing contract between the authorizer and the charter school
103.6 board if the charter school has a history of:

103.7 (1) failure to meet pupil performance requirements consistent with state law;

103.8 (2) financial mismanagement or failure to meet generally accepted standards of
103.9 fiscal management; or

103.10 (3) repeated or major violations of the law.

103.11 Subd. 23a. **Related party lease costs.** (a) A charter school is prohibited from
103.12 entering a lease of real property with a related party unless the lessor is a nonprofit
103.13 corporation under chapter 317A or a cooperative under chapter 308A, and the lease cost is
103.14 reasonable under section 124D.11, subdivision 4, clause (1).

103.15 (b) For purposes of this section and section 124D.11:

103.16 (1) "related party" means an affiliate or immediate relative of the other party in
103.17 question, an affiliate of an immediate relative, or an immediate relative of an affiliate;

103.18 (2) "affiliate" means a person that directly or indirectly, through one or more
103.19 intermediaries, controls, is controlled by, or is under common control with another person;

103.20 (3) "immediate family" means an individual whose relationship by blood, marriage,
103.21 adoption, or partnering is no more remote than first cousin;

103.22 (4) "person" means an individual or entity of any kind; and

103.23 (5) "control" means the ability to affect the management, operations, or policy
103.24 actions or decisions of a person, whether through ownership of voting securities, by
103.25 contract, or otherwise.

103.26 (c) A lease of real property to be used for a charter school, not excluded in paragraph
103.27 (a), must contain the following statement: "This lease is subject to Minnesota Statutes,
103.28 section 124D.10, subdivision 23a."

103.29 (d) If a charter school enters into as lessee a lease with a related party and the
103.30 charter school subsequently closes, the commissioner has the right to recover from the
103.31 lessor any lease payments in excess of those that are reasonable under section 124D.11,
103.32 subdivision 4, clause (1).

103.33 Subd. 24. **Pupil enrollment upon nonrenewal or termination of charter school**
103.34 **contract.** If a contract is not renewed or is terminated according to subdivision 23, a
103.35 pupil who attended the school, siblings of the pupil, or another pupil who resides in the
103.36 same place as the pupil may enroll in the resident district or may submit an application

104.1 to a nonresident district according to section 124D.03 at any time. Applications and
104.2 notices required by section 124D.03 must be processed and provided in a prompt manner.
104.3 The application and notice deadlines in section 124D.03 do not apply under these
104.4 circumstances. The closed charter school must transfer the student's educational records
104.5 within ten business days of closure to the student's school district of residence where the
104.6 records must be retained or transferred under section 120A.22, subdivision 7.

104.7 Subd. 25. **Extent of specific legal authority.** (a) The board of directors of a charter
104.8 school may sue and be sued.

104.9 (b) The board may not levy taxes or issue bonds.

104.10 (c) The commissioner, an authorizer, members of the board of an authorizer in
104.11 their official capacity, and employees of an authorizer are immune from civil or criminal
104.12 liability with respect to all activities related to a charter school they approve or authorize.
104.13 The board of directors shall obtain at least the amount of and types of insurance up to the
104.14 applicable tort liability limits under chapter 466. The charter school board must submit
104.15 a copy of the insurance policy to its authorizer ~~and the commissioner~~ before starting
104.16 operations. The charter school board must submit changes in its insurance carrier or policy
104.17 to its authorizer ~~and the commissioner~~ within 20 business days of the change.

104.18 (d) Notwithstanding section 3.736, the charter school shall assume full liability for
104.19 its activities and indemnify and hold harmless the authorizer and its officers, agents, and
104.20 employees from any suit, claim, or liability arising from any operation of the charter school
104.21 and the commissioner and department officers, agents, and employees. A charter school
104.22 is not required to indemnify or hold harmless a state employee if the state would not be
104.23 required to indemnify and hold the employee harmless under section 3.736, subdivision 9.

104.24 Subd. 27. **Collaboration between charter school and school district.** (a) A charter
104.25 school board may voluntarily enter into a two-year, renewable agreement for collaboration
104.26 to enhance student achievement with a school district within whose geographic boundary
104.27 it operates.

104.28 (b) A school district need not be an approved authorizer to enter into a collaboration
104.29 agreement with a charter school. A charter school need not be authorized by the school
104.30 district with which it seeks to collaborate.

104.31 (c) A charter school authorizer is prohibited from requiring a collaboration agreement
104.32 as a condition of entering into or renewing a charter contract as defined in subdivision 6.

104.33 (d) Nothing in this subdivision or in the collaboration agreement may impact in any
104.34 way the authority or autonomy of the charter school.

105.1 (e) Nothing in this subdivision or in the collaboration agreement shall cause the state
105.2 to pay twice for the same student, service, or facility or otherwise impact state funding, or
105.3 the flow thereof, to the school district or the charter school.

105.4 (f) The collaboration agreement may include, but need not be limited to,
105.5 collaboration regarding facilities, transportation, training, student achievement,
105.6 assessments, mutual performance standards, and other areas of mutual agreement.

105.7 (g) The school district may include the academic performance of the students of a
105.8 collaborative charter school site operating within the geographic boundaries of the school
105.9 district, for purposes of student assessment and reporting to the state.

105.10 (h) Districts, authorizers, or charter schools entering into a collaborative agreement
105.11 are equally and collectively subject to the same state and federal accountability measures
105.12 for student achievement, school performance outcomes, and school improvement
105.13 strategies. The collaborative agreement and all accountability measures must be posted
105.14 on the district, charter school, and authorizer Web sites.

105.15 **EFFECTIVE DATE.** This section is effective the day following final enactment,
105.16 except subdivision 23 is effective July 1, 2013.

105.17 Sec. 2. Minnesota Statutes 2012, section 260A.02, subdivision 3, is amended to read:

105.18 Subd. 3. **Continuing truant.** "Continuing truant" means a child who is subject to the
105.19 compulsory instruction requirements of section 120A.22 and is absent from instruction in a
105.20 school, as defined in section 120A.05, without valid excuse within a single school year for:

105.21 (1) three days if the child is in elementary school; or

105.22 (2) three or more class periods on three days if the child is in middle school, junior
105.23 high school, or high school.

105.24 Nothing in this section shall prevent a school district or charter school from notifying
105.25 a truant child's parent or legal guardian of the child's truancy or otherwise addressing a
105.26 child's attendance problems prior to the child becoming a continuing truant.

105.27 Sec. 3. Minnesota Statutes 2012, section 260A.03, is amended to read:

105.28 **260A.03 NOTICE TO PARENT OR GUARDIAN WHEN CHILD IS A**
105.29 **CONTINUING TRUANT.**

105.30 Upon a child's initial classification as a continuing truant, the school attendance
105.31 officer or other designated school official shall notify the child's parent or legal guardian,
105.32 by first-class mail or other reasonable means, of the following:

105.33 (1) that the child is truant;

106.1 (2) that the parent or guardian should notify the school if there is a valid excuse
106.2 for the child's absences;

106.3 (3) that the parent or guardian is obligated to compel the attendance of the child
106.4 at school pursuant to section 120A.22 and parents or guardians who fail to meet this
106.5 obligation may be subject to prosecution under section 120A.34;

106.6 (4) that this notification serves as the notification required by section 120A.34;

106.7 (5) that alternative educational programs and services may be available in the child's
106.8 enrolling or resident district;

106.9 (6) that the parent or guardian has the right to meet with appropriate school personnel
106.10 to discuss solutions to the child's truancy;

106.11 (7) that if the child continues to be truant, the parent and child may be subject to
106.12 juvenile court proceedings under chapter 260C;

106.13 (8) that if the child is subject to juvenile court proceedings, the child may be subject
106.14 to suspension, restriction, or delay of the child's driving privilege pursuant to section
106.15 260C.201; and

106.16 (9) that it is recommended that the parent or guardian accompany the child to school
106.17 and attend classes with the child for one day.

106.18 Sec. 4. Minnesota Statutes 2012, section 260A.05, subdivision 1, is amended to read:

106.19 Subdivision 1. **Establishment.** A school district or charter school may establish
106.20 one or more school attendance review boards to exercise the powers and duties in this
106.21 section. The school district or charter school board shall appoint the members of the
106.22 school attendance review board and designate the schools within the board's jurisdiction.
106.23 Members of a school attendance review board may include:

106.24 (1) the superintendent of the school district or the superintendent's designee or
106.25 charter school director or the director's designee;

106.26 (2) a principal and one or more other school officials from within the district or
106.27 charter school;

106.28 (3) parent representatives;

106.29 (4) representatives from community agencies that provide services for truant
106.30 students and their families;

106.31 (5) a juvenile probation officer;

106.32 (6) school counselors and attendance officers; and

106.33 (7) law enforcement officers.

106.34 Sec. 5. Minnesota Statutes 2012, section 260A.07, subdivision 1, is amended to read:

107.1 Subdivision 1. **Establishment; referrals.** A county attorney may establish a truancy
 107.2 mediation program for the purpose of resolving truancy problems without court action. If
 107.3 a student is in a school district or charter school that has established a school attendance
 107.4 review board, the student may be referred to the county attorney under section 260A.06,
 107.5 subdivision 3. If the student's school district or charter school has not established a board,
 107.6 the student may be referred to the county attorney by the school district or charter school
 107.7 if the student continues to be truant after the parent or guardian has been sent or conveyed
 107.8 the notice under section 260A.03.

107.9 Sec. 6. **APPROPRIATIONS.**

107.10 Subdivision 1. **Department.** The sums indicated in this section are appropriated
 107.11 from the general fund to the Department of Education for the fiscal years designated.

107.12 Subd. 2. **Charter school building lease aid.** For building lease aid under Minnesota
 107.13 Statutes, section 124D.11, subdivision 4:

107.14 \$ 54,484,000 2014

107.15 \$ 59,533,000 2015

107.16 The 2014 appropriation includes \$6,819,000 for 2013 and \$47,665,000 for 2014.

107.17 The 2015 appropriation includes \$7,502,000 for 2014 and \$52,031,000 for 2015.

107.18 Sec. 7. **REVISOR'S INSTRUCTION; CHARTER SCHOOLS**

107.19 **RECODIFICATION.**

107.20 The revisor of statutes, in consultation with K-12 education staff in House Research
 107.21 and Senate Counsel and Research, shall prepare a recodification of Minnesota Statutes,
 107.22 sections 124D.10 and 124D.11, including corresponding technical corrections and other
 107.23 needed technical changes and shall submit the completed recodification to the chairs and
 107.24 ranking minority members of the legislative committees having jurisdiction over K-12
 107.25 education policy and finance.

107.26 **ARTICLE 5**

107.27 **SPECIAL EDUCATION**

107.28 Section 1. Minnesota Statutes 2012, section 15.059, subdivision 5b, is amended to read:

107.29 Subd. 5b. **Continuation dependent on federal law.** Notwithstanding this section,
 107.30 the following councils and committees do not expire unless federal law no longer requires
 107.31 the existence of the council or committee:

107.32 (1) Rehabilitation Council for the Blind, created in section 248.10;

- 108.1 (2) Juvenile Justice Advisory Committee, created in section 299A.72;
- 108.2 (3) Governor's Workforce Development Council, created in section 116L.665;
- 108.3 (4) local workforce councils, created in section 116L.666, subdivision 2;
- 108.4 (5) Rehabilitation Council, created in section 268A.02, subdivision 2; ~~and~~
- 108.5 (6) Statewide Independent Living Council, created in section 268A.02, subdivision
- 108.6 2; and
- 108.7 (7) Interagency Coordinating Council, created in section 125A.28.

108.8 Sec. 2. Minnesota Statutes 2012, section 124D.11, subdivision 5, is amended to read:

108.9 Subd. 5. **Special education aid.** (a) Except as provided in subdivision 2, special

108.10 education aid must be paid to a charter school according to section 125A.76, as though

108.11 it were a school district.

108.12 ~~(b) For fiscal year 2006, the charter school may charge tuition to the district of~~

108.13 ~~residence as follows:~~

108.14 ~~(1) if the charter school does not receive general education revenue on behalf of~~

108.15 ~~the student according to subdivision 1, tuition shall be charged as provided in section~~

108.16 ~~125A.11; or~~

108.17 ~~(2) if the charter school receives general education revenue on behalf of the student~~

108.18 ~~according to subdivision 1, tuition shall be charged as provided in section 127A.47,~~

108.19 ~~subdivision 7, paragraph (d).~~

108.20 ~~(e)~~ (b) For fiscal year ~~2007~~ 2016 and later, the special education aid paid to the

108.21 charter school shall be adjusted as follows:

108.22 (1) if the charter school does not receive general education revenue on behalf of

108.23 the student according to subdivision 1, the aid shall be adjusted as provided in section

108.24 125A.11; or

108.25 (2) if the charter school receives general education revenue on behalf of the student

108.26 according to subdivision 1, the aid shall be adjusted as provided in section 127A.47,

108.27 subdivision 7, paragraph ~~(d)~~ (e) or (f).

108.28 **EFFECTIVE DATE.** This section is effective for fiscal year 2016 and later.

108.29 Sec. 3. Minnesota Statutes 2012, section 125A.0941, is amended to read:

108.30 **125A.0941 DEFINITIONS.**

108.31 (a) The following terms have the meanings given them.

108.32 (b) "Emergency" means a situation where immediate intervention is needed to

108.33 protect a child or other individual from physical injury ~~or to prevent serious property~~

109.1 damage. Emergency does not mean circumstances such as: a child who does not respond
 109.2 to a task or request and instead places his or her head on a desk or hides under a desk or
 109.3 table; a child who does not respond to a staff person's request unless failing to respond
 109.4 would result in physical injury to the child or other individual; or an emergency incident
 109.5 has already occurred and no threat of physical injury currently exists.

109.6 (c) "Physical holding" means physical intervention intended to hold a child immobile
 109.7 or limit a child's movement, where body contact is the only source of physical restraint,
 109.8 and where immobilization is used to effectively gain control of a child in order to protect
 109.9 the a child or other person individual from physical injury. The term physical holding does
 109.10 not mean physical contact that:

109.11 (1) helps a child respond or complete a task;

109.12 (2) assists a child without restricting the child's movement;

109.13 (3) is needed to administer an authorized health-related service or procedure; or

109.14 (4) is needed to physically escort a child when the child does not resist or the child's
 109.15 resistance is minimal.

109.16 (d) "Positive behavioral interventions and supports" means interventions and
 109.17 strategies to improve the school environment and teach children the skills to behave
 109.18 appropriately.

109.19 (e) "Prone restraint" means placing a child in a face down position.

109.20 (f) "Restrictive procedures" means the use of physical holding or seclusion in an
 109.21 emergency. Restrictive procedures must not be used to punish or otherwise discipline a
 109.22 child.

109.23 (g) "Seclusion" means confining a child alone in a room from which egress is barred.
 109.24 Egress may be barred by an adult locking or closing the door in the room or preventing the
 109.25 child from leaving the room. Removing a child from an activity to a location where the
 109.26 child cannot participate in or observe the activity is not seclusion.

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

109.28 Sec. 4. Minnesota Statutes 2012, section 125A.0942, is amended to read:

109.29 **125A.0942 STANDARDS FOR RESTRICTIVE PROCEDURES.**

109.30 Subdivision 1. **Restrictive procedures plan.** (a) Schools that intend to use
 109.31 restrictive procedures shall maintain and make publicly accessible in an electronic format
 109.32 on a school or district Web site or make a paper copy available upon request describing a
 109.33 restrictive procedures plan for children with disabilities that includes at least the following:

109.34 (1) lists the list of restrictive procedures the school intends to use;

110.1 (2) describes how the school will implement a range of positive behavior strategies
 110.2 and provide links to mental health services;

110.3 (3) describes how the school will monitor and review the use of restrictive
 110.4 procedures, including:

110.5 (i) conducting post-use debriefings, consistent with subdivision 3, paragraph (a),
 110.6 clause (5); and

110.7 (ii) convening an oversight committee to undertake a quarterly review of the use
 110.8 of restrictive procedures based on patterns or problems indicated by similarities in the
 110.9 time of day, day of the week, duration of the use of a procedure, the individuals involved,
 110.10 or other factors associated with the use of restrictive procedures; the number of times a
 110.11 restrictive procedure is used schoolwide and for individual children; the number and types
 110.12 of injuries, if any, resulting from the use of restrictive procedures; whether restrictive
 110.13 procedures are used in nonemergency situations; the need for additional staff training; and
 110.14 proposed actions to minimize the use of restrictive procedures; and

110.15 ~~(3)~~ (4) includes a written description and documentation of the training staff
 110.16 completed under subdivision 5.

110.17 (b) Schools annually must publicly identify oversight committee members who
 110.18 must at least include:

110.19 (1) a mental health professional, school psychologist, or school social worker;

110.20 (2) an expert in positive behavior strategies;

110.21 (3) a special education administrator; and

110.22 (4) a general education administrator.

110.23 Subd. 2. **Restrictive procedures.** (a) Restrictive procedures may be used only by a
 110.24 licensed special education teacher, school social worker, school psychologist, behavior
 110.25 analyst certified by the National Behavior Analyst Certification Board, a person with a
 110.26 master's degree in behavior analysis, other licensed education professional, highly qualified
 110.27 paraprofessional under section 120B.363, or mental health professional under section
 110.28 245.4871, subdivision 27, who has completed the training program under subdivision 5.

110.29 (b) A school shall make reasonable efforts to notify the parent on the same day a
 110.30 restrictive procedure is used on the child, or if the school is unable to provide same-day
 110.31 notice, notice is sent within two days by written or electronic means or as otherwise
 110.32 indicated by the child's parent under paragraph (d).

110.33 ~~(c) When restrictive procedures are used twice in 30 days or when a pattern emerges~~
 110.34 ~~and restrictive procedures are not included in a child's individualized education program~~
 110.35 ~~or behavior intervention plan, The district must hold a meeting of the individualized~~
 110.36 ~~education program team, conduct or review a functional behavioral analysis, review data,~~

111.1 consider developing additional or revised positive behavioral interventions and supports,
111.2 consider actions to reduce the use of restrictive procedures, and modify the individualized
111.3 education program or behavior intervention plan as appropriate. The district must hold
111.4 the meeting: within ten calendar days after district staff use restrictive procedures on two
111.5 separate school days within 30 calendar days or a pattern of use emerges and the child's
111.6 individualized education program or behavior intervention plan does not provide for using
111.7 restrictive procedures in an emergency; or at the request of a parent or the district after
111.8 restrictive procedures are used. The district must review use of restrictive procedures at a
111.9 child's annual individualized education program meeting when the child's individualized
111.10 education program provides for using restrictive procedures in an emergency.

111.11 (d) If the individualized education program team under paragraph (c) determines
111.12 that existing interventions and supports are ineffective in reducing the use of restrictive
111.13 procedures or the district uses restrictive procedures on a child on ten or more school days
111.14 during the same school year, the team, as appropriate, either must consult with other
111.15 professionals working with the child; consult with experts in behavior analysis, mental
111.16 health, communication, or autism; consult with culturally competent professionals;
111.17 review existing evaluations, resources, and successful strategies; or consider whether to
111.18 reevaluate the child.

111.19 (e) At the individualized education program meeting under paragraph (c), the team
111.20 must review any known medical or psychological limitations, including any medical
111.21 information the parent provides voluntarily, that contraindicate the use of a restrictive
111.22 procedure, consider whether to prohibit that restrictive procedure, and document any
111.23 prohibition in the individualized education program or behavior intervention plan.

111.24 ~~(d)~~ (f) An individualized education program team may plan for using restrictive
111.25 procedures and may include these procedures in a child's individualized education
111.26 program or behavior intervention plan; however, the restrictive procedures may be used
111.27 only in response to behavior that constitutes an emergency, consistent with this section.
111.28 The individualized education program or behavior intervention plan shall indicate how the
111.29 parent wants to be notified when a restrictive procedure is used.

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

111.33 (1) ~~the physical holding or seclusion must be~~ is the least intrusive intervention
111.34 that effectively responds to the emergency;

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

112.1 (3) physical holding or seclusion ~~must end~~ ends when the threat of harm ends and
112.2 the staff determines ~~that~~ the child can safely return to the classroom or activity;

112.3 ~~(3)~~ (4) staff ~~must~~ directly ~~observe~~ observes the child while physical holding or
112.4 seclusion is being used;

112.5 ~~(4)~~ (5) each time physical holding or seclusion is used, the staff person who
112.6 implements or oversees the physical holding or seclusion ~~shall document~~ documents, as
112.7 soon as possible after the incident concludes, the following information:

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

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

112.11 (iii) the time the physical holding or seclusion began and the time the child was
112.12 released; and

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

112.14 ~~(5)~~ (6) the room used for seclusion must:

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

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

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

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

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

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

112.24 ~~(6)~~ (7) before using a room for seclusion, a school must:

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

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

112.28 ~~(7)~~ (8) until August 1, ~~2013~~ 2015, a school district may use prone restraints with
112.29 children age five or older ~~under the following conditions~~ if:

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

112.32 (ii) a ~~the~~ district provides information on the type of training that was provided
112.33 and by whom;

112.34 (iii) ~~prone restraints may only be used by~~ staff who ~~have~~ received specific training
112.35 use prone restraints;

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

113.3 (v) a the district, ~~prior to~~ before using prone restraints, must review any known
113.4 medical or psychological limitations that contraindicate the use of prone restraints.

113.5 ~~The department will report back to the chairs and ranking minority members of the~~
113.6 ~~legislative committees with primary jurisdiction over education policy by February~~
113.7 ~~1, 2013, on the use of prone restraints in the schools. Consistent with item (iv), The~~
113.8 department must collect data on districts' use of prone restraints and publish the data in a
113.9 readily accessible format on the department's Web site on a quarterly basis.

113.10 (b) ~~The department must develop a statewide plan by February 1, 2013, to reduce~~
113.11 ~~districts' use of restrictive procedures that includes~~ By March 1, 2014, stakeholders must
113.12 recommend to the commissioner specific and measurable implementation and outcome
113.13 goals for reducing the use of restrictive procedures and the commissioner must submit to
113.14 the legislature a report on districts' progress in reducing the use of restrictive procedures
113.15 that recommends how to further reduce these procedures and eliminate the use of prone
113.16 restraints. The statewide plan includes the following components: measurable goals; the
113.17 resources, training, technical assistance, mental health services, and collaborative efforts
113.18 needed to significantly reduce districts' use of prone restraints; and recommendations
113.19 to clarify and improve the law governing districts' use of restrictive procedures. The
113.20 ~~department must convene~~ commissioner must consult with interested stakeholders to
113.21 ~~develop the statewide plan and identify the need for technical assistance~~ when preparing
113.22 the report, including representatives of advocacy organizations, special education
113.23 directors, intermediate school districts, school boards, day treatment providers, county
113.24 social services, state human services department staff, mental health professionals, and
113.25 autism experts. ~~To assist the department and stakeholders under this paragraph, school~~
113.26 ~~districts must report summary data to the department by July 1, 2012, on districts' use of~~
113.27 ~~restrictive procedures during the 2011-2012 school year, including data on the number~~
113.28 ~~of incidents involving restrictive procedures, the total number of students on which~~
113.29 ~~restrictive procedures were used, the number of resulting injuries, relevant demographic~~
113.30 ~~data on the students and school, and other relevant data collected by the district. By June~~
113.31 30 each year, districts must report summary data on their use of restrictive procedures to
113.32 the department, in a form and manner determined by the commissioner.

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

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

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

- 114.1 (3) totally or partially restricting a child's senses as punishment;
- 114.2 (4) presenting an intense sound, light, or other sensory stimuli using smell, taste,
114.3 substance, or spray as punishment;
- 114.4 (5) denying or restricting a child's access to equipment and devices such as walkers,
114.5 wheelchairs, hearing aids, and communication boards that facilitate the child's functioning,
114.6 except when temporarily removing the equipment or device is needed to prevent injury
114.7 to the child or others or serious damage to the equipment or device, in which case the
114.8 equipment or device shall be returned to the child as soon as possible;
- 114.9 (6) interacting with a child in a manner that constitutes sexual abuse, neglect, or
114.10 physical abuse under section 626.556;
- 114.11 (7) withholding regularly scheduled meals or water;
- 114.12 (8) denying access to bathroom facilities; and
- 114.13 (9) physical holding that restricts or impairs a child's ability to breathe, restricts or
114.14 impairs a child's ability to communicate distress, places pressure or weight on a child's
114.15 head, throat, neck, chest, lungs, sternum, diaphragm, back, or abdomen, or results in
114.16 straddling a child's torso.
- 114.17 Subd. 5. **Training for staff.** (a) To meet the requirements of subdivision 1,
114.18 staff who use restrictive procedures, including highly qualified paraprofessionals, shall
114.19 complete training in the following skills and knowledge areas:
- 114.20 (1) positive behavioral interventions;
- 114.21 (2) communicative intent of behaviors;
- 114.22 (3) relationship building;
- 114.23 (4) alternatives to restrictive procedures, including techniques to identify events and
114.24 environmental factors that may escalate behavior;
- 114.25 (5) de-escalation methods;
- 114.26 (6) standards for using restrictive procedures only in an emergency;
- 114.27 (7) obtaining emergency medical assistance;
- 114.28 (8) the physiological and psychological impact of physical holding and seclusion;
- 114.29 (9) monitoring and responding to a child's physical signs of distress when physical
114.30 holding is being used; ~~and~~
- 114.31 (10) recognizing the symptoms of and interventions that may cause positional
114.32 asphyxia when physical holding is used;
- 114.33 (11) district policies and procedures for timely reporting and documenting each
114.34 incident involving use of a restricted procedure; and
- 114.35 (12) schoolwide programs on positive behavior strategies.

115.1 (b) The commissioner, after consulting with the commissioner of human services,
 115.2 must develop and maintain a list of training programs that satisfy the requirements of
 115.3 paragraph (a). The commissioner also must develop and maintain a list of experts to
 115.4 help individualized education program teams reduce the use of restrictive procedures.
 115.5 The district shall maintain records of staff who have been trained and the organization
 115.6 or professional that conducted the training. The district may collaborate with children's
 115.7 community mental health providers to coordinate trainings.

115.8 Subd. 6. **Behavior supports.** School districts are encouraged to establish effective
 115.9 schoolwide systems of positive behavior interventions and supports. Nothing in this
 115.10 section or section 125A.0941 precludes the use of reasonable force under sections
 115.11 121A.582; 609.06, subdivision 1; and 609.379.

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

115.13 Sec. 5. Minnesota Statutes 2012, section 125A.11, subdivision 1, is amended to read:

115.14 Subdivision 1. **Nonresident tuition rate; other costs.** (a) ~~For fiscal year 2006,~~
 115.15 ~~when a school district provides instruction and services outside the district of residence,~~
 115.16 ~~board and lodging, and any tuition to be paid, shall be paid by the district of residence.~~
 115.17 ~~The tuition rate to be charged for any child with a disability, excluding a pupil for whom~~
 115.18 ~~tuition is calculated according to section 127A.47, subdivision 7, paragraph (d), must be~~
 115.19 ~~the sum of (1) the actual cost of providing special instruction and services to the child~~
 115.20 ~~including a proportionate amount for special transportation and unreimbursed building~~
 115.21 ~~lease and debt service costs for facilities used primarily for special education, plus (2)~~
 115.22 ~~the amount of general education revenue and referendum aid attributable to the pupil,~~
 115.23 ~~minus (3) the amount of special education aid for children with a disability received~~
 115.24 ~~on behalf of that child, minus (4) if the pupil receives special instruction and services~~
 115.25 ~~outside the regular classroom for more than 60 percent of the school day, the amount of~~
 115.26 ~~general education revenue and referendum aid, excluding portions attributable to district~~
 115.27 ~~and school administration, district support services, operations and maintenance, capital~~
 115.28 ~~expenditures, and pupil transportation, attributable to that pupil for the portion of time~~
 115.29 ~~the pupil receives special instruction and services outside of the regular classroom. If~~
 115.30 ~~the boards involved do not agree upon the tuition rate, either board may apply to the~~
 115.31 ~~commissioner to fix the rate. Notwithstanding chapter 14, the commissioner must then set~~
 115.32 ~~a date for a hearing or request a written statement from each board, giving each board~~
 115.33 ~~at least ten days' notice, and after the hearing or review of the written statements the~~
 115.34 ~~commissioner must make an order fixing the tuition rate, which is binding on both school~~
 115.35 ~~districts. General education revenue and referendum equalization aid attributable to a~~

116.1 ~~pupil must be calculated using the resident district's average general education revenue~~
116.2 ~~and referendum equalization aid per adjusted pupil unit.~~

116.3 (b) (a) For fiscal year ~~2007~~ 2015 and later, when a school district provides special
116.4 instruction and services for a pupil with a disability as defined in section 125A.02 outside
116.5 the district of residence, excluding a pupil for whom an adjustment to special education aid
116.6 is calculated according to section 127A.47, subdivision 7, ~~paragraph (e)~~ paragraphs (b) to
116.7 (d), special education aid paid to the resident district must be reduced by an amount equal
116.8 to (1) the actual cost of providing special instruction and services to the pupil, including
116.9 a proportionate amount for special transportation and unreimbursed building lease and
116.10 debt service costs for facilities used primarily for special education, plus (2) the amount
116.11 of general education revenue and referendum equalization aid attributable to that pupil,
116.12 calculated using the resident district's average general education revenue and referendum
116.13 equalization aid per adjusted pupil unit excluding basic skills revenue, elementary sparsity
116.14 revenue and secondary sparsity revenue, minus (3) the amount of special education aid for
116.15 children with a disability received on behalf of that child, minus (4) if the pupil receives
116.16 special instruction and services outside the regular classroom for more than 60 percent
116.17 of the school day, the amount of general education revenue and referendum equalization
116.18 aid, excluding portions attributable to district and school administration, district support
116.19 services, operations and maintenance, capital expenditures, and pupil transportation,
116.20 attributable to that pupil for the portion of time the pupil receives special instruction
116.21 and services outside of the regular classroom, calculated using the resident district's
116.22 average general education revenue and referendum equalization aid per adjusted pupil unit
116.23 excluding basic skills revenue, elementary sparsity revenue and secondary sparsity revenue
116.24 and the serving district's basic skills revenue, elementary sparsity revenue and secondary
116.25 sparsity revenue per adjusted pupil unit. Notwithstanding clauses (1) and (4), for pupils
116.26 served by a cooperative unit without a fiscal agent school district, the general education
116.27 revenue and referendum equalization aid attributable to a pupil must be calculated using
116.28 the resident district's average general education revenue and referendum equalization aid
116.29 excluding compensatory revenue, elementary sparsity revenue, and secondary sparsity
116.30 revenue. Special education aid paid to the district or cooperative providing special
116.31 instruction and services for the pupil must be increased by the amount of the reduction in
116.32 the aid paid to the resident district. Amounts paid to cooperatives under this subdivision
116.33 and section 127A.47, subdivision 7, shall be recognized and reported as revenues and
116.34 expenditures on the resident school district's books of account under sections 123B.75
116.35 and 123B.76. If the resident district's special education aid is insufficient to make the full
116.36 adjustment, the remaining adjustment shall be made to other state aid due to the district.

117.1 ~~(e)~~ (b) Notwithstanding ~~paragraphs~~ paragraph (a) and (b) and section 127A.47,
 117.2 subdivision 7, paragraphs ~~(d) and (e) and (f)~~, a charter school where more than 30 percent
 117.3 of enrolled students receive special education and related services, a site approved under
 117.4 section 125A.515, an intermediate district, a special education cooperative, or a school
 117.5 district that served as the applicant agency for a group of school districts for federal
 117.6 special education aids for fiscal year 2006 may apply to the commissioner for authority to
 117.7 charge the resident district an additional amount to recover any remaining unreimbursed
 117.8 costs of serving pupils with a disability. The application must include a description of the
 117.9 costs and the calculations used to determine the unreimbursed portion to be charged to the
 117.10 resident district. Amounts approved by the commissioner under this paragraph must be
 117.11 included in the tuition billings or aid adjustments under paragraph (a) ~~or (b)~~, or section
 117.12 127A.47, subdivision 7, paragraph ~~(d) or (e) or (f)~~, as applicable.

117.13 ~~(d)~~ (c) For purposes of this subdivision and section 127A.47, subdivision 7,
 117.14 paragraphs ~~(d) and (e) and (f)~~; "general education revenue and referendum equalization
 117.15 aid" means the sum of the general education revenue according to section 126C.10,
 117.16 subdivision 1, excluding alternative teacher compensation revenue, plus the referendum
 117.17 equalization aid according to section 126C.17, subdivision 7, as adjusted according to
 117.18 section 127A.47, subdivision 7, paragraphs (a) to ~~(e)~~ (d).

117.19 **EFFECTIVE DATE.** This section is effective for fiscal year 2015 and later.

117.20 Sec. 6. Minnesota Statutes 2012, section 125A.27, subdivision 8, is amended to read:

117.21 Subd. 8. **Eligibility for Part C.** "Eligibility for Part C" means eligibility for
 117.22 ~~early childhood special education~~ infant and toddler intervention services under section
 117.23 125A.02 and Minnesota Rules.

117.24 Sec. 7. Minnesota Statutes 2012, section 125A.27, subdivision 11, is amended to read:

117.25 Subd. 11. **Interagency child find systems.** "Interagency child find systems" means
 117.26 activities developed on an interagency basis with the involvement of interagency early
 117.27 intervention committees and other relevant community groups, including primary referral
 117.28 sources included in Code of Federal Regulations, title 34, section 303.303(c), using
 117.29 rigorous standards to actively seek out, identify, and refer infants and young children,
 117.30 with, or at risk of, disabilities, and their families, including a child to reduce the need for
 117.31 future services. The interagency child find systems must mandate referrals for a child
 117.32 under the age of three who: (1) is involved in the subject of a substantiated case of abuse
 117.33 or neglect, or (2) is identified as directly affected by illegal substance abuse, or withdrawal
 117.34 symptoms resulting from prenatal drug exposure, to reduce the need for future services.

118.1 The referral procedures must specify that a referral must occur within seven calendar days
 118.2 from the date of identification.

118.3 Sec. 8. Minnesota Statutes 2012, section 125A.27, subdivision 14, is amended to read:

118.4 Subd. 14. **Parent.** "Parent" means ~~the biological parent with parental rights,~~
 118.5 ~~adoptive parent, legal guardian, or surrogate parent~~ "parent" as defined by Code of Federal
 118.6 Regulations, title 34, section 303.27, or a surrogate parent appointed in accordance with
 118.7 Code of Federal Regulations, title 34, section 303.422, or United States Code, title 20,
 118.8 section 1439(a)(5).

118.9 Sec. 9. Minnesota Statutes 2012, section 125A.28, is amended to read:

118.10 **125A.28 STATE INTERAGENCY COORDINATING COUNCIL.**

118.11 An Interagency Coordinating Council of at least 17, but not more than 25 members
 118.12 is established, in compliance with Public Law 108-446, section 641. The members must
 118.13 be appointed by the governor and reasonably represent the population of Minnesota.
 118.14 Council members must elect the council chair, who may not be a representative of the
 118.15 Department of Education. ~~The representative of the commissioner may not serve as the~~
 118.16 ~~chair.~~ The council must be composed of at least five parents, including persons of color,
 118.17 of children with disabilities under age 12, including at least three parents of a child
 118.18 with a disability under age seven, five representatives of public or private providers
 118.19 of services for children with disabilities under age five, including a special education
 118.20 director, county social service director, local Head Start director, and a community health
 118.21 services or public health nursing administrator, one member of the senate, one member of
 118.22 the house of representatives, one representative of teacher preparation programs in early
 118.23 childhood-special education or other preparation programs in early childhood intervention,
 118.24 at least one representative of advocacy organizations for children with disabilities under
 118.25 age five, one physician who cares for young children with special health care needs, one
 118.26 representative each from the commissioners of commerce, education, health, human
 118.27 services, a representative from the state agency responsible for child care, foster care,
 118.28 mental health, homeless coordinator of education of homeless children and youth, and a
 118.29 representative from Indian health services or a tribal council. Section 15.059, subdivisions
 118.30 2 to 5, apply to the council. The council must meet at least quarterly.

118.31 The council must address methods of implementing the state policy of developing
 118.32 and implementing comprehensive, coordinated, multidisciplinary interagency programs of
 118.33 early intervention services for children with disabilities and their families.

119.1 The duties of the council include recommending policies to ensure a comprehensive
 119.2 and coordinated system of all state and local agency services for children under age five
 119.3 with disabilities and their families. The policies must address how to incorporate each
 119.4 agency's services into a unified state and local system of multidisciplinary assessment
 119.5 practices, individual intervention plans, comprehensive systems to find children in need of
 119.6 services, methods to improve public awareness, and assistance in determining the role of
 119.7 interagency early intervention committees.

119.8 On the date that Minnesota Part C Annual Performance Report is submitted to the
 119.9 federal Office of Special Education, the council must recommend to the governor and the
 119.10 commissioners of education, health, human services, commerce, and employment and
 119.11 economic development policies for a comprehensive and coordinated system.

119.12 Annually, the council must prepare and submit a report to the governor and the
 119.13 secretary of the federal Department of Education on the status of early intervention
 119.14 services and programs for infants and toddlers with disabilities and their families under
 119.15 the Individuals with Disabilities Education Act, United States Code, title 20, sections
 119.16 1471 to 1485 (Part C, Public Law 102-119), as operated in Minnesota. The Minnesota
 119.17 Part C annual performance report may serve as the report.

119.18 Notwithstanding any other law to the contrary, the State Interagency Coordinating
 119.19 Council ~~expires on June 30, 2014~~ does not expire unless federal law no longer requires
 119.20 the existence of the council or committee.

119.21 Sec. 10. Minnesota Statutes 2012, section 125A.29, is amended to read:

119.22 **125A.29 RESPONSIBILITIES OF COUNTY BOARDS AND SCHOOL**
 119.23 **BOARDS.**

119.24 (a) It is the joint responsibility of county boards and school boards to coordinate,
 119.25 provide, and pay for appropriate services, and to facilitate payment for services from public
 119.26 and private sources. Appropriate services for children eligible under section 125A.02 must
 119.27 be determined in consultation with parents, physicians, and other educational, medical,
 119.28 health, and human services providers. The services provided must be in conformity with:

119.29 (1) an IFSP for each eligible infant and toddler from birth through age two and
 119.30 the infant's or toddler's family including:

119.31 (i) American Indian infants and toddlers with disabilities and their families residing
 119.32 on a reservation geographically located in the state;

119.33 (ii) infants and toddlers with disabilities who are homeless children and their
 119.34 families; and

119.35 (iii) infants and toddlers with disabilities who are wards of the state; or

120.1 (2) an individualized education program (IEP) or individual service plan (ISP) for
120.2 each eligible child ages three through four.

120.3 (b) Appropriate early intervention services include ~~family education and~~
120.4 ~~counseling, home visits, occupational and physical therapy, speech pathology, audiology,~~
120.5 ~~psychological services, special instruction, nursing, respite, nutrition, assistive technology,~~
120.6 ~~transportation and related costs, social work, vision services, case management~~ services
120.7 provided in conformity with an IFSP that are designed to meet the special developmental
120.8 needs of an eligible child and the needs of the child's family related to enhancing the
120.9 child's development and that are selected in collaboration with the parent. These services
120.10 include core early intervention services and additional early intervention services listed in
120.11 this section and infant and toddler intervention services defined under United States Code,
120.12 title 20, sections 1431 to 1444, and Code of Federal Regulations, title 34, section 303,
120.13 including service coordination under section 125A.33, medical services for diagnostic and
120.14 evaluation purposes, early identification, and screening, assessment, and health services
120.15 necessary to enable children with disabilities to benefit from early intervention services.

120.16 (c) School and county boards shall coordinate early intervention services. In the
120.17 absence of agreements established according to section 125A.39, service responsibilities
120.18 for children birth through age two are as follows:

120.19 (1) school boards must provide, pay for, and facilitate payment for special education
120.20 and related services required under sections 125A.03 and 125A.06;

120.21 (2) county boards must provide, pay for, and facilitate payment for noneducational
120.22 services of social work, psychology, transportation and related costs, nursing, respite, and
120.23 nutrition services not required under clause (1).

120.24 (d) School and county boards may develop an interagency agreement according
120.25 to section 125A.39 to establish agency responsibility that assures early intervention
120.26 services are coordinated, provided, paid for, and that payment is facilitated from public
120.27 and private sources.

120.28 (e) County and school boards must jointly determine the primary agency in this
120.29 cooperative effort and must notify the commissioner of the state lead agency of their
120.30 decision.

120.31 Sec. 11. Minnesota Statutes 2012, section 125A.30, is amended to read:

120.32 **125A.30 INTERAGENCY EARLY INTERVENTION COMMITTEES.**

120.33 (a) A school district, group of districts, or special education cooperative, in
120.34 cooperation with the health and human service agencies located in the county or counties
120.35 in which the district or cooperative is located, must establish an Interagency Early

121.1 Intervention Committee for children with disabilities under age five and their families
121.2 under this section, and for children with disabilities ages three to 22 consistent with
121.3 the requirements under sections 125A.023 and 125A.027. Committees must include
121.4 representatives of local health, education, and county human service agencies, county
121.5 boards, school boards, early childhood family education programs, Head Start, parents of
121.6 young children with disabilities under age 12, child care resource and referral agencies,
121.7 school readiness programs, current service providers, and may also include representatives
121.8 from other private or public agencies and school nurses. The committee must elect a chair
121.9 from among its members and must meet at least quarterly.

121.10 (b) The committee must develop and implement interagency policies and procedures
121.11 concerning the following ongoing duties:

121.12 (1) develop public awareness systems designed to inform potential recipient families,
121.13 especially parents with premature infants, or infants with other physical risk factors
121.14 associated with learning or development complications, of available programs and services;

121.15 (2) to reduce families' need for future services, and especially parents with premature
121.16 infants, or infants with other physical risk factors associated with learning or development
121.17 complications, implement interagency child find systems designed to actively seek out,
121.18 identify, and refer infants and young children with, or at risk of, disabilities, including
121.19 a child under the age of three who: (i) is ~~involved in the subject of~~ involved in the subject of a substantiated case
121.20 of abuse or neglect or (ii) is identified as directly affected by illegal substance abuse, or
121.21 withdrawal symptoms resulting from prenatal drug exposure;

121.22 (3) establish and evaluate the identification, referral, ~~child screening, evaluation,~~
121.23 child- and family-directed assessment systems, procedural safeguard process,
121.24 and community learning systems to recommend, where necessary, alterations and
121.25 improvements;

121.26 (4) assure the development of individualized family service plans for all eligible
121.27 infants and toddlers with disabilities from birth through age two, and their families,
121.28 and individualized education programs and individual service plans when necessary to
121.29 appropriately serve children with disabilities, age three and older, and their families and
121.30 recommend assignment of financial responsibilities to the appropriate agencies;

121.31 (5) implement a process for assuring that services involve cooperating agencies at all
121.32 steps leading to individualized programs;

121.33 (6) facilitate the development of a ~~transitional~~ transition plan ~~if a service provider is~~
121.34 ~~not recommended to continue to provide services~~ in the individual family service plan by
121.35 the time a child is two years and nine months old;

122.1 (7) identify the current services and funding being provided within the community
122.2 for children with disabilities under age five and their families;

122.3 (8) develop a plan for the allocation and expenditure of ~~additional state and federal~~
122.4 early intervention funds under United States Code, title 20, section 1471 et seq. (Part C,
122.5 Public Law 108-446) and United States Code, title 20, section 631, et seq. (Chapter I,
122.6 Public Law 89-313); and

122.7 (9) develop a policy that is consistent with section 13.05, subdivision 9, and federal
122.8 law to enable a member of an interagency early intervention committee to allow another
122.9 member access to data classified as not public.

122.10 (c) The local committee shall also:

122.11 ~~(1) participate in needs assessments and program planning activities conducted by~~
122.12 local social service, health and education agencies for young children with disabilities
122.13 and their families; ~~and.~~

122.14 ~~(2) review and comment on the early intervention section of the total special~~
122.15 ~~education system for the district, the county social service plan, the section or sections of~~
122.16 ~~the community health services plan that address needs of and service activities targeted~~
122.17 ~~to children with special health care needs, the section on children with special needs in~~
122.18 ~~the county child care fund plan, sections in Head Start plans on coordinated planning and~~
122.19 ~~services for children with special needs, any relevant portions of early childhood education~~
122.20 ~~plans, such as early childhood family education or school readiness, or other applicable~~
122.21 ~~coordinated school and community plans for early childhood programs and services, and~~
122.22 ~~the section of the maternal and child health special project grants that address needs of and~~
122.23 ~~service activities targeted to children with chronic illness and disabilities.~~

122.24 Sec. 12. Minnesota Statutes 2012, section 125A.32, is amended to read:

122.25 **125A.32 INDIVIDUALIZED FAMILY SERVICE PLAN (IFSP).**

122.26 (a) A team must participate in IFSP meetings to develop the IFSP. The team shall
122.27 include:

122.28 (1) a parent or parents of the child, as defined in Code of Federal Regulations,
122.29 title 34, section 303.27;

122.30 (2) other family members, as requested by the parent, if feasible to do so;

122.31 (3) an advocate or person outside of the family, if the parent requests that the
122.32 person participate;

122.33 (4) the service coordinator who has been working with the family since the
122.34 initial referral, or who has been designated by the public agency to be responsible for

123.1 implementation of the IFSP and coordination with other agencies including transition
123.2 services; ~~and~~

123.3 (5) a person or persons involved in conducting evaluations and assessments; and

123.4 (6) as appropriate, persons who will be providing early intervention services under
123.5 the plan to the child or family.

123.6 (b) The IFSP must include:

123.7 (1) information about the child's developmental status;

123.8 (2) family information, with the consent of the family;

123.9 (3) measurable results or major outcomes expected to be achieved by the child with
123.10 the family's assistance, that include developmentally appropriate preliteracy and language
123.11 skills for the child, and the criteria, procedures, and timelines;

123.12 (4) specific early intervention services based on peer-reviewed research, to the
123.13 extent practicable, necessary to meet the unique needs of the child and the family to
123.14 achieve the outcomes;

123.15 (5) payment arrangements, if any;

123.16 (6) medical and other services that the child needs, but that are not required under
123.17 the Individual with Disabilities Education Act, United States Code, title 20, section 1471
123.18 et seq. (Part C, Public Law 108-446) including funding sources to be used in paying for
123.19 those services and the steps that will be taken to secure those services through public
123.20 or private sources;

123.21 (7) dates and duration of early intervention services;

123.22 (8) name of the service coordinator;

123.23 (9) steps to be taken to support a child's transition from early infant and toddler
123.24 intervention services to other appropriate services, including convening a transition
123.25 conference at least 90 days or, at the discretion of all parties, not more than nine months
123.26 before the child is eligible for preschool services; and

123.27 (10) ~~signature of the parent and~~ authorized signatures of the agencies responsible
123.28 for providing, paying for, or facilitating payment, or any combination of these, for early
123.29 infant and toddler intervention services.

123.30 Sec. 13. Minnesota Statutes 2012, section 125A.33, is amended to read:

123.31 **125A.33 SERVICE COORDINATION.**

123.32 (a) The team responsible for the initial evaluation and the child- and family-directed
123.33 assessment and for developing the IFSP under section 125A.32, if appropriate, must
123.34 select a service coordinator to carry out service coordination activities on an interagency
123.35 basis. Service coordination must actively promote a family's capacity and competency

124.1 to identify, obtain, coordinate, monitor, and evaluate resources and services to meet the
124.2 family's needs. Service coordination activities include:

124.3 (1) coordinating the performance of evaluations and assessments;

124.4 (2) facilitating and participating in the development, review, and evaluation of
124.5 individualized family service plans;

124.6 (3) assisting families in identifying available service providers;

124.7 (4) coordinating and monitoring the delivery of available services;

124.8 (5) informing families of the availability of advocacy services;

124.9 (6) coordinating with medical, health, and other service providers;

124.10 (7) facilitating the development of a transition plan to preschool, school, or if
124.11 appropriate, to other services, at least 90 days before the time the child is no longer
124.12 eligible for early infant and toddler intervention services or, at the discretion of all parties,
124.13 not more than nine months prior to the child's ~~eligibility for preschool services~~ third
124.14 birthday, if appropriate;

124.15 (8) managing the early intervention record and submitting additional information to
124.16 the local primary agency at the time of periodic review and annual evaluations; and

124.17 (9) notifying a local primary agency when disputes between agencies impact service
124.18 delivery required by an IFSP.

124.19 (b) A service coordinator must be knowledgeable about children and families
124.20 receiving services under this section, requirements of state and federal law, and services
124.21 available in the interagency early childhood intervention system. The IFSP must include
124.22 the name of the services coordinator from the profession most relevant to the child's or
124.23 family's needs or who is otherwise qualified to carry out all applicable responsibilities
124.24 under the Individuals with Disabilities Education Act, United States Code, title 20,
124.25 sections 1471 to 1485 (Part C, Public Law 102-119), who will be responsible for
124.26 implementing the early intervention services identified in the child's IFSP, including
124.27 transition services and coordination with other agencies and persons.

124.28 Sec. 14. Minnesota Statutes 2012, section 125A.35, subdivision 1, is amended to read:

124.29 Subdivision 1. **Lead agency; allocation of resources.** The state lead agency must
124.30 administer the early intervention account that consists of federal allocations. The Part C
124.31 state plan must state the amount of federal resources in the early intervention account
124.32 available for use by local agencies. The state lead agency must distribute the funds to the
124.33 local primary agency designated by an Interagency Early Intervention Committee based
124.34 on a formula that includes a December 1 count of the prior year of Part C eligible children
124.35 for the following purposes:

125.1 (1) as provided in Code of Federal Regulations, title 34, part ~~303.425~~ 303.430, to
 125.2 arrange for payment for early intervention services not elsewhere available, or to pay for
 125.3 services during the pendency of a conflict procedure, including mediation, complaints, due
 125.4 process hearings, and interagency disputes; and

125.5 (2) to support interagency child find system activities.

125.6 Sec. 15. Minnesota Statutes 2012, section 125A.36, is amended to read:

125.7 **125A.36 PAYMENT FOR SERVICES.**

125.8 Core early intervention services must be provided at public expense with no cost to
 125.9 parents. Parents must be requested to assist in the cost of additional early intervention
 125.10 services by using third-party payment sources ~~and applying for available resources.~~
 125.11 Payment structures permitted under state law must be used to pay for additional early
 125.12 intervention services. Parental financial responsibility must be clearly defined in the
 125.13 IFSP. A parent's inability to pay must not prohibit a child from receiving needed early
 125.14 intervention services.

125.15 Sec. 16. Minnesota Statutes 2012, section 125A.43, is amended to read:

125.16 **125A.43 MEDIATION PROCEDURE.**

125.17 (a) The commissioner, or the commissioner's designee, of the state lead agency must
 125.18 use federal funds to provide mediation for the activities in paragraphs (b) and (c).

125.19 (b) A parent may resolve a dispute regarding issues in section 125A.42, paragraph
 125.20 (b), clause (5), through mediation. If the parent chooses mediation, mediation must be
 125.21 voluntary on the part of the parties. The parent and the public agencies must complete the
 125.22 mediation process within 30 calendar days of the date the ~~Office of Dispute Resolution~~
 125.23 Department of Education receives a parent's written request for mediation unless the
 125.24 district declines mediation. The mediation process may not be used to delay a parent's
 125.25 right to a due process hearing. ~~The resolution of the~~ written, signed mediation agreement
 125.26 is not binding on any party both parties and is enforceable in any state court of competent
 125.27 jurisdiction or in a district court of the United States.

125.28 (c) Resolution of a dispute through mediation, or other form of alternative dispute
 125.29 resolution, is not limited to formal disputes arising from the objection of a parent or
 125.30 guardian and is not limited to the period following a request for a due process hearing.

125.31 (d) The commissioner shall provide training and resources to school districts to
 125.32 facilitate early identification of disputes and access to mediation.

126.1 (e) The local primary agency may request mediation on behalf of involved agencies
 126.2 when there are disputes between agencies regarding responsibilities to coordinate, provide,
 126.3 pay for, or facilitate payment for early intervention services.

126.4 Sec. 17. Minnesota Statutes 2012, section 125A.76, subdivision 1, is amended to read:

126.5 Subdivision 1. **Definitions.** (a) For the purposes of this section and section 125A.79,
 126.6 the definitions in this subdivision apply.

126.7 (a) ~~"Basic revenue" has the meaning given it in section 126C.10, subdivision 2.~~
 126.8 ~~For the purposes of computing basic revenue pursuant to this section, each child with a~~
 126.9 ~~disability shall be counted as prescribed in section 126C.05, subdivision 1.~~

126.10 (b) ~~"Essential personnel" means teachers, cultural liaisons, related services, and~~
 126.11 ~~support services staff providing services to students. Essential personnel may also include~~
 126.12 ~~special education paraprofessionals or clericals providing support to teachers and students~~
 126.13 ~~by preparing paperwork and making arrangements related to special education compliance~~
 126.14 ~~requirements, including parent meetings and individualized education programs. Essential~~
 126.15 ~~personnel does not include administrators and supervisors.~~

126.16 (c) ~~"Average daily membership" has the meaning given it in section 126C.05.~~

126.17 (d) ~~"Program growth factor" means 1.046 for fiscal year 2012 and later.~~

126.18 (b) "Annual inflationary increase" means one plus the percentage change in the
 126.19 Consumer Price Index for urban consumers, as prepared by the United States Bureau of
 126.20 Labor Standards, for the prior fiscal year to fiscal year 2015.

126.21 (c) "Nonfederal special education expenditure" means all direct expenditures that
 126.22 are necessary and essential to meet the district's obligation to provide special instruction
 126.23 and services to children with a disability according to sections 124D.454, 125A.03 to
 126.24 125A.24, 125A.259 to 125A.48, and 125A.65 as submitted by the district and approved by
 126.25 the department under section 125A.75, subdivision 4, excluding expenditures:

126.26 (1) reimbursed with federal funds;

126.27 (2) reimbursed with other state aids under this chapter;

126.28 (3) for general education costs of serving students with a disability;

126.29 (4) for facilities;

126.30 (5) for pupil transportation; and

126.31 (6) for postemployment benefits.

126.32 (d) "Old formula special education expenditures" means expenditures eligible for
 126.33 revenue under Minnesota Statutes 2012, section 125A.76, subdivision 2.

126.34 For the Minnesota State Academy for the Deaf and the Minnesota State Academy for the
 126.35 Blind, expenditures are limited to the salary and fringe benefits of one-to-one instructional

127.1 and behavior management aides assigned to a child attending the academy, if the aides are
127.2 required by the child's individualized education program.

127.3 **EFFECTIVE DATE.** This section is effective for fiscal year 2016 and later.

127.4 Sec. 18. Minnesota Statutes 2012, section 125A.76, is amended by adding a
127.5 subdivision to read:

127.6 Subd. 2a. **Special education initial aid.** For fiscal year 2016 and later, a district's
127.7 special education initial aid equals the sum of:

127.8 (1) the lesser of 60 percent of the district's old formula special education expenditures
127.9 for the prior fiscal year, 50 percent of the district's nonfederal special education
127.10 expenditures for the prior year, or 45 percent of the product of the sum of the following
127.11 amounts, computed using prior fiscal year data, and the annual inflationary increase:

127.12 (i) the product of the district's average daily membership served and the sum of:

127.13 (A) \$445; plus

127.14 (B) \$310 times the ratio of the sum of the number of pupils enrolled on October 1
127.15 who are eligible to receive free lunch plus one-half of the pupils enrolled on October 1
127.16 who are eligible to receive reduced-price lunch to the total October 1 enrollment; plus

127.17 (C) .00443 times the district's average daily membership served; plus

127.18 (ii) \$10,404 times the December 1 child count for the primary disability areas of
127.19 autism spectrum disorders, developmental delay, and severely multiply impaired; plus

127.20 (iii) \$18,027 times the December 1 child count for the primary disability areas of
127.21 deaf and hard-of-hearing and emotional or behavioral disorders; plus

127.22 (iv) \$26,609 times the December 1 child count for the primary disability areas of
127.23 developmentally cognitive mild-moderate, developmentally cognitive severe-profound,
127.24 physically impaired, visually impaired, and deafblind; plus

127.25 (2) the cost of providing transportation services for children with disabilities under
127.26 section 123B.92, subdivision 1, paragraph (b), clause (4).

127.27 **EFFECTIVE DATE.** This section is effective for fiscal year 2016 and later.

127.28 Sec. 19. Minnesota Statutes 2012, section 125A.76, is amended by adding a
127.29 subdivision to read:

127.30 Subd. 2b. **Special education aid.** (a) For fiscal year 2016 and later, a district's
127.31 special education aid equals the sum of the district's special education initial aid under
127.32 subdivision 2a and the district's excess cost aid under section 125A.79, subdivision 5.

128.1 (b) Notwithstanding paragraph (a), the special education aid for a school district, not
 128.2 including a charter school, must not be less than the lesser of (1) the district's nonfederal
 128.3 special education expenditures for that fiscal year or (2) the product of the sum of the
 128.4 special education aid the district would have received for fiscal year 2016 under Minnesota
 128.5 Statutes 2012, sections 125A.76 and 125A.79, as adjusted according to sections 125A.11
 128.6 and 127A.47, subdivision 7, and the ratio of the district's adjusted daily membership for
 128.7 the current fiscal year to the district's average daily membership for fiscal year 2016.

128.8 **EFFECTIVE DATE.** This section is effective for fiscal year 2016 and later.

128.9 Sec. 20. Minnesota Statutes 2012, section 125A.76, is amended by adding a
 128.10 subdivision to read:

128.11 Subd. 2c. **Statewide average expenditure.** By January 15 of each year, the
 128.12 department must calculate the statewide average special education expenditure per
 128.13 December 1 child count for the prior fiscal year by primary disability area and provide that
 128.14 information to all districts. By January 15 of each odd-numbered year, the commissioner
 128.15 must identify options for aligning the assignment of disability areas to the categories and
 128.16 the rates for each category in subdivision 2a, clause (1), with the latest expenditure data and
 128.17 submit these options to the legislative committees with jurisdiction over education finance.

128.18 **EFFECTIVE DATE.** This section is effective July 1, 2015.

128.19 Sec. 21. Minnesota Statutes 2012, section 125A.76, subdivision 4a, is amended to read:

128.20 Subd. 4a. **Adjustments for tuition reciprocity with adjoining states.** (a) If an
 128.21 agreement is reached between the state of Minnesota and an adjoining state pursuant to
 128.22 section 124D.041 that requires a special education tuition payment from the state of
 128.23 Minnesota to the adjoining state, the tuition payment shall be made from the special
 128.24 education aid appropriation for that year, and the state total special education aid under
 128.25 subdivision 4 shall be reduced by the amount of the payment.

128.26 ~~(b) If an agreement is reached between the state of Minnesota and an adjoining state~~
 128.27 ~~pursuant to section 124D.041 that requires a special education tuition payment from~~
 128.28 ~~an adjoining state to the state of Minnesota, the special education aid appropriation for~~
 128.29 ~~that year and the state total special education aid under subdivision 4 shall be increased~~
 128.30 ~~by the amount of the payment.~~

128.31 (e) (b) If an agreement is reached between the state of Minnesota and an adjoining
 128.32 state pursuant to section 124D.041 that requires special education tuition payments to
 128.33 be made between the two states and not between districts in the two states, the special

129.1 education aid for a Minnesota school district serving a student with a disability from the
129.2 adjoining state shall be calculated according to section 127A.47, subdivision 7, except that
129.3 no reduction shall be made in the special education aid paid to the resident district.

129.4 **EFFECTIVE DATE.** This section is effective for fiscal year 2016 and later.

129.5 Sec. 22. Minnesota Statutes 2012, section 125A.76, subdivision 8, is amended to read:

129.6 Subd. 8. **Special education forecast maintenance of effort.** (a) If, on the basis of
129.7 a forecast of general fund revenues and expenditures under section 16A.103, the state's
129.8 expenditures for special education and related services for children with disabilities from
129.9 nonfederal sources for a fiscal year, including special education aid under ~~section 125A.76;~~
129.10 ~~special education excess cost aid under section 125A.76, subdivision 7~~ subdivision 2b;
129.11 travel for home-based services under section 125A.75, subdivision 1; aid for students with
129.12 disabilities under section 125A.75, subdivision 3; court-placed special education under
129.13 section 125A.79, subdivision 4; out-of-state tuition under section 125A.79, subdivision 8;
129.14 and direct expenditures by state agencies are projected to be less than the amount required
129.15 to meet federal special education maintenance of effort, the reimbursement percentage for
129.16 excess cost aid under section 125A.79, subdivision 5, must be increased as required to
129.17 ensure that the additional amount required to meet federal special education maintenance of
129.18 effort is added to the state total special education aid in ~~section 125A.76, subdivision 4~~ 2b.

129.19 (b) If, on the basis of a forecast of general fund revenues and expenditures under
129.20 section 16A.103, expenditures in the programs in paragraph (a) are projected to be greater
129.21 than previously forecast for an enacted budget, and an addition to state total special
129.22 education aid has been made under paragraph (a), the state total special education aid
129.23 must be reduced by the lesser of the amount of the expenditure increase or the amount
129.24 previously added to state total special education aid in ~~section 125A.76, subdivision 4~~ 2b.

129.25 (c) For the purpose of this section, "previously forecast for an enacted budget" means
129.26 the allocation of funding for these programs in the most recent forecast of general fund
129.27 revenues and expenditures or the act appropriating money for these programs, whichever
129.28 occurred most recently. It does not include planning estimates for a future biennium.

129.29 (d) If the amount of special education aid is adjusted in accordance with this
129.30 subdivision, the commissioner of education shall notify the chairs of the legislative
129.31 committees having jurisdiction over kindergarten through grade 12 education regarding
129.32 the amount of the adjustment and provide an explanation of the federal maintenance of
129.33 effort requirements.

129.34 **EFFECTIVE DATE.** This section is effective for fiscal year 2016 and later.

130.1 Sec. 23. Minnesota Statutes 2012, section 125A.78, subdivision 2, is amended to read:

130.2 Subd. 2. **Initial aid adjustment.** For the fiscal year after approval of a district's
 130.3 application, and thereafter, the special education ~~initial~~ aid under section 125A.76;
 130.4 ~~subdivision 1~~, must be computed based on activities defined as reimbursable under
 130.5 Department of Education rules for special education and nonspecial education students,
 130.6 and additional activities as detailed and approved by the commissioner.

130.7 **EFFECTIVE DATE.** This section is effective for fiscal year 2016 and later.

130.8 Sec. 24. Minnesota Statutes 2012, section 125A.79, subdivision 1, is amended to read:

130.9 Subdivision 1. **Definitions.** For the purposes of this section, the definitions in this
 130.10 subdivision apply.

130.11 (a) "Unreimbursed old formula special education cost expenditures" means the
 130.12 ~~sum of the following:~~

130.13 (1) old formula special education expenditures for teachers' salaries, contracted
 130.14 services, supplies, equipment, and transportation services eligible for revenue under
 130.15 section 125A.76 for the prior fiscal year; plus minus

130.16 (2) ~~expenditures for tuition bills received under sections 125A.03 to 125A.24 and~~
 130.17 ~~125A.65 for services eligible for revenue under section 125A.76, subdivision 2; minus~~

130.18 (3) ~~revenue for teachers' salaries, contracted services, supplies, equipment, and~~
 130.19 ~~transportation services~~ special education initial aid under section 125A.76; minus,
 130.20 subdivision 2a; minus

130.21 (3) the amount of general education revenue and referendum equalization aid for the
 130.22 prior fiscal year attributable to pupils receiving special instruction and services outside the
 130.23 regular classroom for more than 60 percent of the school day for the portion of time the
 130.24 pupils receive special instruction and services outside the regular classroom, excluding
 130.25 portions attributable to district and school administration, district support services,
 130.26 operations and maintenance, capital expenditures, and pupil transportation.

130.27 (4) ~~tuition receipts under sections 125A.03 to 125A.24 and 125A.65 for services~~
 130.28 ~~eligible for revenue under section 125A.76, subdivision 2.~~

130.29 (b) "Unreimbursed nonfederal special education expenditures" means:

130.30 (1) nonfederal special education expenditures for the prior fiscal year; minus

130.31 (2) special education initial aid under section 125A.76; minus

130.32 (3) the amount of general education revenue and referendum equalization aid for the
 130.33 prior fiscal year attributable to pupils receiving special instruction and services outside the
 130.34 regular classroom for more than 60 percent of the school day for the portion of time the
 130.35 pupils receive special instruction and services outside of the regular classroom, excluding

131.1 portions attributable to district and school administration, district support services,
 131.2 operations and maintenance, capital expenditures, and pupil transportation.

131.3 (c) "General revenue" for a school district means the sum of the general education
 131.4 revenue according to section 126C.10, subdivision 1, excluding alternative teacher
 131.5 compensation revenue, minus transportation sparsity revenue minus total operating
 131.6 capital revenue. "General revenue" for a charter school means the sum of the general
 131.7 education revenue according to section 124D.11, subdivision 1, and transportation revenue
 131.8 according to section 124D.11, subdivision 2, excluding alternative teacher compensation
 131.9 revenue, minus referendum equalization aid minus transportation sparsity revenue minus
 131.10 operating capital revenue.

131.11 ~~(e) "Average daily membership" has the meaning given it in section 126C.05.~~

131.12 ~~(d) "Program growth factor" means 1.02 for fiscal year 2012 and later.~~

131.13 **EFFECTIVE DATE.** This section is effective for fiscal year 2016 and later.

131.14 Sec. 25. Minnesota Statutes 2012, section 125A.79, subdivision 5, is amended to read:

131.15 Subd. 5. **Initial excess cost aid.** For fiscal years ~~2008~~ 2016 and later, a district's
 131.16 initial excess cost aid equals the greater of:

131.17 (1) ~~75~~ 54 percent of the difference between (i) the district's unreimbursed special
 131.18 education cost and (ii) ~~4.36~~ 6.0 percent of the district's general revenue; ~~or~~

131.19 (2) 65 percent of the difference between (i) the district's unreimbursed old formula
 131.20 special education expenditures and (ii) 4.0 percent of the district's general revenue; or

131.21 ~~(2)~~ (3) zero.

131.22 **EFFECTIVE DATE.** This section is effective for fiscal year 2016 and later.

131.23 Sec. 26. **SPECIAL EDUCATION CASE LOADS TASK FORCE.**

131.24 Subdivision 1. **Members.** The commissioner shall establish and appoint a special
 131.25 education case loads task force consisting of at least ten members who will provide equal
 131.26 representation from school districts, including special education teachers, and advocacy
 131.27 organizations, including parents of children with disabilities.

131.28 Subd. 2. **Duties.** The special education case loads task force shall develop
 131.29 recommendations for the appropriate numbers of students with disabilities that may be
 131.30 assigned to a teacher both with and without paraprofessional support in the classroom and
 131.31 for cost-effective and efficient strategies and structures for improving student outcomes.

132.1 Subd. 3. **Report.** The task force must submit a report by February 15, 2014, to the
 132.2 education policy and finance committees of the legislature recommending appropriate
 132.3 case loads for teachers of school-age children in all federal settings, including educational
 132.4 service alternatives, and for early childhood special education and program alternatives.

132.5 Subd. 4. **Expiration.** The task force expires February 16, 2014.

132.6 **Sec. 27. RULEMAKING AUTHORITY.**

132.7 The commissioner of education shall amend Minnesota Rules related to the
 132.8 provision of special education under Part C of the Individuals with Disabilities Education
 132.9 Act using the expedited rulemaking process in Minnesota Statutes, section 14.389. The
 132.10 commissioner shall amend rules in response to new federal regulations in Code of
 132.11 Federal Regulations, title 34, part 303, including definitions of and procedures related to
 132.12 evaluation and assessment, including assessment of the child and family, initial evaluation
 132.13 and assessment, native language, the use of informed clinical opinion as an independent
 132.14 basis to establish eligibility, and transition of a toddler from Part C consistent with Code of
 132.15 Federal Regulations, title 34, sections 303.24, 303.25, and 303.321. The authority to use
 132.16 the expedited process to amend rules specified in this section expires July 1, 2014. Rule
 132.17 amendments adopted under the expedited process before that date remain in effect unless
 132.18 further amended under the rulemaking procedures in Minnesota Statutes, chapter 14.

132.19 **Sec. 28. APPROPRIATIONS.**

132.20 Subdivision 1. **Department of Education.** The sums indicated in this section are
 132.21 appropriated from the general fund to the Department of Education for the fiscal years
 132.22 designated.

132.23 Subd. 2. **Special education; regular.** For special education aid under Minnesota
 132.24 Statutes, section 125A.75:

132.25	<u>\$</u>	<u>910,153,000</u>	<u>.....</u>	<u>2014</u>
132.26	<u>\$</u>	<u>959,018,000</u>	<u>.....</u>	<u>2015</u>

132.27 The 2014 appropriation includes \$118,232,000 for 2013 and \$791,921,000 for 2014.

132.28 The 2015 appropriation includes \$124,654,000 for 2014 and \$834,364,000 for 2015.

132.29 Subd. 3. **Aid for children with disabilities.** For aid under Minnesota Statutes,
 132.30 section 125A.75, subdivision 3, for children with disabilities placed in residential facilities
 132.31 within the district boundaries for whom no district of residence can be determined:

133.1 \$ 1,655,000 2014

133.2 \$ 1,752,000 2015

133.3 If the appropriation for either year is insufficient, the appropriation for the other
133.4 year is available.

133.5 Subd. 4. **Travel for home-based services.** For aid for teacher travel for home-based
133.6 services under Minnesota Statutes, section 125A.75, subdivision 1:

133.7 \$ 345,000 2014

133.8 \$ 355,000 2015

133.9 The 2014 appropriation includes \$45,000 for 2013 and \$300,000 for 2014.

133.10 The 2015 appropriation includes \$47,000 for 2014 and \$308,000 for 2015.

133.11 Subd. 5. **Special education; excess costs.** For excess cost aid under Minnesota
133.12 Statutes, section 125A.79, subdivision 7:

133.13 \$ 118,639,000 2014

133.14 \$ 121,919,000 2015

133.15 The 2014 appropriation includes \$42,030,000 for 2013 and \$76,609,000 for 2014.

133.16 The 2015 appropriation includes \$43,211,000 for 2014 and \$78,708,000 for 2015.

133.17 Subd. 6. **Court-placed special education revenue.** For reimbursing serving school
133.18 districts for unreimbursed eligible expenditures attributable to children placed in the serving
133.19 school district by court action under Minnesota Statutes, section 125A.79, subdivision 4:

133.20 \$ 54,000 2014

133.21 \$ 55,000 2015

133.22 Subd. 7. **Special education out-of-state tuition.** For special education out-of-state
133.23 tuition according to Minnesota Statutes, section 125A.79, subdivision 8:

133.24 \$ 250,000 2014

133.25 \$ 250,000 2015

133.26 Sec. 29. **REPEALER.**

133.27 Minnesota Statutes 2012, sections 124D.454, subdivisions 3, 10, and 11; 125A.35,
133.28 subdivisions 4 and 5; 125A.76, subdivisions 2, 4, 5, and 7; and 125A.79, subdivisions 6
133.29 and 7, are repealed for fiscal year 2016 and later.

134.1 **ARTICLE 6**

134.2 **FACILITIES AND TECHNOLOGY**

134.3 Section 1. Minnesota Statutes 2012, section 123B.54, is amended to read:

134.4 **123B.54 DEBT SERVICE APPROPRIATION.**

134.5 (a) ~~\$21,727,000 in fiscal year 2014 and \$24,201,000 in fiscal year 2015 and later~~
 134.6 ~~are~~ The amount necessary to make debt service equalization aid payments under section
 134.7 123B.53 is annually appropriated from the general fund to the commissioner of education
 134.8 ~~for payment of debt service equalization aid under section 123B.53.~~

134.9 (b) The appropriations in paragraph (a) must be reduced by the amount of any
 134.10 money specifically appropriated for the same purpose in any year from any state fund.

134.11 Sec. 2. Minnesota Statutes 2012, section 128D.11, subdivision 3, is amended to read:

134.12 Subd. 3. **No election.** Subject to the provisions of subdivisions 7 to 10, the school
 134.13 district may also by a two-thirds majority vote of all the members of its board of education
 134.14 and without any election by the voters of the district, issue and sell in each calendar year
 134.15 general obligation bonds of the district in an amount not to exceed 5-1/10 per cent of the
 134.16 net tax capacity of the taxable property in the district (plus, for calendar years 1990 to
 134.17 2003, an amount not to exceed \$7,500,000, and for calendar years year 2004 to 2016 and
 134.18 later, an amount not to exceed \$15,000,000; with an additional provision that any amount
 134.19 of bonds so authorized for sale in a specific year and not sold can be carried forward and
 134.20 sold in the year immediately following).

134.21 **EFFECTIVE DATE.** This section is effective July 1, 2013.

134.22 Sec. 3. Laws 2007, chapter 146, article 4, section 12, is amended to read:

134.23 Sec. 12. **BONDING AUTHORIZATION.**

134.24 To provide funds for the acquisition or betterment of school facilities, Independent
 134.25 School District No. 625, St. Paul, may by two-thirds majority vote of all the members of
 134.26 the board of directors issue general obligation bonds in one or more series ~~for calendar~~
 134.27 ~~years 2008 through 2016~~, as provided in this section. The aggregate principal amount of
 134.28 any bonds issued under this section for each calendar year must not exceed \$15,000,000.
 134.29 Issuance of the bonds is not subject to Minnesota Statutes, section 475.58 or 475.59.
 134.30 The bonds must otherwise be issued as provided in Minnesota Statutes, chapter 475.
 134.31 The authority to issue bonds under this section is in addition to any bonding authority
 134.32 authorized by Minnesota Statutes, chapter 123B, or other law. The amount of bonding
 134.33 authority authorized under this section must be disregarded in calculating the bonding

135.1 limit of Minnesota Statutes, chapter 123B, or any other law other than Minnesota Statutes,
135.2 section 475.53, subdivision 4.

135.3 **EFFECTIVE DATE.** This section is effective July 1, 2013.

135.4 Sec. 4. **CYRUS AND MORRIS SCHOOL DISTRICT CONSOLIDATION.**

135.5 **Subdivision 1. Purpose.** The legislature finds that an orderly, voluntary
135.6 consolidation of Independent School Districts Nos. 611, Cyrus, and 769, Morris, promotes
135.7 the well-being of the students and increases educational efficiency in those school districts.

135.8 **Subd. 2. Remediation costs.** Independent School District No. 611, Cyrus, may
135.9 identify all health and safety remediation costs related to the demolition of the Cyrus
135.10 school building and submit those amounts to the commissioner of education for approval.
135.11 Any approved costs may be included either in the district's health and safety plan or in the
135.12 bonding authority authorized under subdivision 3.

135.13 **Subd. 3. Facility bonds.** Independent School District No. 611, Cyrus, may issue
135.14 general obligation bonds without an election under Minnesota Statutes, chapter 475,
135.15 in an amount approved by the commissioner of education for the costs associated with
135.16 demolishing the Cyrus school building. The bonds must be repaid within ten years of
135.17 issuance.

135.18 **Subd. 4. Reorganization operating debt determined.** Independent School District
135.19 No. 611, Cyrus, must estimate its reorganization operating debt according to Minnesota
135.20 Statutes, section 123B.82, and submit that amount to the commissioner of education
135.21 for approval.

135.22 **Subd. 5. Reorganization operating debt bonds.** Independent School District No.
135.23 611, Cyrus, may issue general obligation bonds without an election under Minnesota
135.24 Statutes, chapter 475, in an amount not to exceed the reorganization operating debt
135.25 approved by the commissioner of education under subdivision 2. The bonds must be
135.26 repaid within six years of issuance.

135.27 **Subd. 6. Repayment.** The bonded debt issued under this section remains payable
135.28 by the taxable property located within the boundaries of former Independent School
135.29 District No. 611, Cyrus.

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

136.1 Sec. 5. **APPROPRIATIONS.**

136.2 **Subdivision 1. Department of Education.** The sums indicated in this section are
136.3 appropriated from the general fund to the Department of Education for the fiscal years
136.4 designated.

136.5 **Subd. 2. Health and safety revenue.** For health and safety aid according to
136.6 Minnesota Statutes, section 123B.57, subdivision 5:

136.7	\$	<u>463,000</u>	<u>.....</u>	<u>2014</u>
136.8	\$	<u>434,000</u>	<u>.....</u>	<u>2015</u>

136.9 The 2014 appropriation includes \$26,000 for 2013 and \$437,000 for 2014.
136.10 The 2015 appropriation includes \$68,000 for 2014 and \$366,000 for 2015.

136.11 **Subd. 3. Debt service equalization.** For debt service aid according to Minnesota
136.12 Statutes, section 123B.53, subdivision 6:

136.13	\$	<u>19,083,000</u>	<u>.....</u>	<u>2014</u>
136.14	\$	<u>25,046,000</u>	<u>.....</u>	<u>2015</u>

136.15 The 2014 appropriation includes \$2,397,000 for 2013 and \$16,686,000 for 2014.
136.16 The 2015 appropriation includes \$2,626,000 for 2014 and \$22,420,000 for 2015.

136.17 **Subd. 4. Alternative facilities bonding aid.** For alternative facilities bonding aid,
136.18 according to Minnesota Statutes, section 123B.59, subdivision 1:

136.19	\$	<u>19,287,000</u>	<u>.....</u>	<u>2014</u>
136.20	\$	<u>19,287,000</u>	<u>.....</u>	<u>2015</u>

136.21 The 2014 appropriation includes \$2,623,000 for 2013 and \$16,664,000 for 2014.
136.22 The 2015 appropriation includes \$2,623,000 for 2014 and \$16,664,000 for 2015.

136.23 **Subd. 5. Equity in telecommunications access.** For equity in telecommunications
136.24 access:

136.25	\$	<u>3,750,000</u>	<u>.....</u>	<u>2014</u>
136.26	\$	<u>3,750,000</u>	<u>.....</u>	<u>2015</u>

136.27 If the appropriation amount is insufficient, the commissioner shall reduce the
136.28 reimbursement rate in Minnesota Statutes, section 125B.26, subdivisions 4 and 5, and the
136.29 revenue for fiscal years 2014 and 2015 shall be prorated.

136.30 Any balance in the first year does not cancel but is available in the second year.

136.31 **Subd. 6. Deferred maintenance aid.** For deferred maintenance aid, according to
136.32 Minnesota Statutes, section 123B.591, subdivision 4:

137.1 \$ 3,564,000 2014

137.2 \$ 3,731,000 2015

137.3 The 2014 appropriation includes \$456,000 for 2013 and \$3,108,000 for 2014.

137.4 The 2015 appropriation includes \$489,000 for 2014 and \$3,242,000 for 2015.

137.5 **ARTICLE 7**

137.6 **NUTRITION; LIBRARIES; ACCOUNTING**

137.7 Section 1. Minnesota Statutes 2012, section 124D.111, subdivision 1, is amended to
137.8 read:

137.9 Subdivision 1. **School lunch aid computation.** Each school year, the state must pay
137.10 participants in the national school lunch program the amount of ~~12~~ 13 cents for each full
137.11 paid, ~~reduced~~ reduced-price, and free student lunch served to students.

137.12 **EFFECTIVE DATE.** This section is effective July 1, 2013, for aid payments for
137.13 fiscal year 2014 and later.

137.14 Sec. 2. Minnesota Statutes 2012, section 124D.119, is amended to read:

137.15 **124D.119 SUMMER FOOD SERVICE REPLACEMENT AID.**

137.16 ~~States State~~ funds are available to compensate department-approved summer food
137.17 program sponsors ~~for reduced federal operating reimbursement rates under Public Law~~
137.18 ~~104-193, the federal summer food service program. A sponsor is eligible for summer food~~
137.19 ~~service replacement aid equal to the sum of the following amounts:.~~ Reimbursement shall
137.20 be made on December 15 based on total meals served by each sponsor from the end of the
137.21 school year to the beginning of the next school year on a pro rata basis.

137.22 ~~(1) for breakfast service, up to four cents per breakfast served by the sponsor during~~
137.23 ~~the current program year;~~

137.24 ~~(2) for lunch or supper service, up to 14 cents per lunch or supper served by the~~
137.25 ~~sponsor during the current program year; and~~

137.26 ~~(3) for supplement service, up to ten cents per supplement served by the sponsor~~
137.27 ~~during the current program year.~~

137.28 Sec. 3. **FUND TRANSFER; FISCAL YEARS 2014 AND 2015 ONLY.**

137.29 (a) Notwithstanding Minnesota Statutes, section 123B.80, subdivision 3, for
137.30 fiscal years 2014 and 2015 only, the commissioner must approve a request for a fund
137.31 transfer if the transfer does not increase state aid obligations to the district or result in
137.32 additional property tax authority for the district. This section does not permit transfers

138.1 from the community service fund, the food service fund, or the reserved account for
138.2 staff development under section 122A.61.

138.3 (b) A school board may approve a fund transfer under paragraph (a) only after
138.4 adopting a resolution stating the fund transfer will not diminish instructional opportunities
138.5 for students.

138.6 **EFFECTIVE DATE.** This section is effective July 1, 2013.

138.7 Sec. 4. **SCHOOL PAYMENT SHIFTS.**

138.8 For fiscal years 2014 and later, any increase in an aid entitlement for an aid program
138.9 subject to the aid payment shift must have a current year aid payment percent of 90.
138.10 For taxes payable in 2014 and later, no appropriations gains from a property tax early
138.11 recognition shift may be recognized on any change in school district levies.

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

138.13 Sec. 5. **APPROPRIATIONS.**

138.14 Subdivision 1. **Department of Education.** The sums indicated in this section are
138.15 appropriated from the general fund to the Department of Education for the fiscal years
138.16 designated.

138.17 Subd. 2. **School lunch.** For school lunch aid according to Minnesota Statutes,
138.18 section 124D.111, and Code of Federal Regulations, title 7, section 210.17:

138.19 \$ 13,513,000 2014
138.20 \$ 13,763,000 2015

138.21 Subd. 3. **School breakfast.** For traditional school breakfast aid under Minnesota
138.22 Statutes, section 124D.1158:

138.23 \$ 5,711,000 2014
138.24 \$ 6,022,000 2015

138.25 Subd. 4. **Kindergarten milk.** For kindergarten milk aid under Minnesota Statutes,
138.26 section 124D.118:

138.27 \$ 1,039,000 2014
138.28 \$ 1,049,000 2015

138.29 Subd. 5. **Summer food service replacement aid.** For summer food service
138.30 replacement aid under Minnesota Statutes, section 124D.119:

139.1 \$ 150,000 2014
 139.2 \$ 150,000 2015

139.3 Subd. 6. **Basic system support.** For basic system support grants under Minnesota
 139.4 Statutes, section 134.355:

139.5 \$ 13,570,000 2014
 139.6 \$ 13,570,000 2015

139.7 The 2014 appropriation includes \$1,845,000 for 2013 and \$11,725,000 for 2014.
 139.8 The 2015 appropriation includes \$1,845,000 for 2014 and \$11,725,000 for 2015.

139.9 Subd. 7. **Multicounty, multitype library systems.** For grants under Minnesota
 139.10 Statutes, sections 134.353 and 134.354, to multicounty, multitype library systems:

139.11 \$ 1,300,000 2014
 139.12 \$ 1,300,000 2015

139.13 The 2014 appropriation includes \$176,000 for 2013 and \$1,124,000 for 2014.
 139.14 The 2015 appropriation includes \$176,000 for 2014 and \$1,124,000 for 2015.

139.15 Subd. 8. **Electronic library for Minnesota.** For statewide licenses to online
 139.16 databases selected in cooperation with the Minnesota Office of Higher Education for
 139.17 school media centers, public libraries, state government agency libraries, and public
 139.18 or private college or university libraries:

139.19 \$ 900,000 2014
 139.20 \$ 900,000 2015

139.21 Any balance in the first year does not cancel but is available in the second year.

139.22 Subd. 9. **Regional library telecommunications aid.** For regional library
 139.23 telecommunications aid under Minnesota Statutes, section 134.355:

139.24 \$ 2,300,000 2014
 139.25 \$ 2,300,000 2015

139.26 The 2014 appropriation includes \$312,000 for 2013 and \$1,988,000 for 2014.
 139.27 The 2015 appropriation includes \$312,000 for 2014 and \$1,988,000 for 2015.

139.28 Sec. 6. **REVISOR'S INSTRUCTION.**

139.29 In Minnesota Statutes and Minnesota Rules, the revisor of statutes shall substitute
 139.30 the term "Division of State Library Services" for "Library Development and Services,"
 139.31 "Office of Library Development and Services," or "LDS" where "LDS" stands for "Library

140.1 Development and Services." The revisor shall also make grammatical changes related
140.2 to the changes in terms.

140.3 **ARTICLE 8**

140.4 **EARLY CHILDHOOD; SELF-SUFFICIENCY; LIFELONG LEARNING**

140.5 Section 1. [16F.01] MINNESOTA YOUTH COUNCIL COMMITTEE.

140.6 Subdivision 1. **Establishment and membership.** The Minnesota Youth Council
140.7 Committee is established within and under the auspices of the Minnesota Alliance With
140.8 Youth. The committee consists of four members from each congressional district in
140.9 Minnesota and four members selected at-large. Members must be selected through an
140.10 application and interview process conducted by the Minnesota Alliance With Youth. In
140.11 making its appointments, the Minnesota Alliance With Youth should strive to ensure
140.12 gender and ethnic diversity in the committee's membership. Members must be between
140.13 the ages of 13 and 19 and serve two-year terms, except that one-half of the initial members
140.14 must serve a one-year term. Members may serve a maximum of two terms.

140.15 Subd. 2. **Duties.** The Minnesota Youth Council Committee shall:

- 140.16 (1) provide advice and recommendations to the legislature and the governor on
140.17 issues affecting youth;
140.18 (2) serve as a liaison for youth around the state to the legislature and the governor; and
140.19 (3) submit an annual report of the council's activities and goals.

140.20 Subd. 3. **Partnerships.** The Minnesota Youth Council Committee shall partner with
140.21 nonprofits, the private sector, and educational resources to fulfill its duties.

140.22 Subd. 4. **Youth Council Committee in the legislature.** (a) The Minnesota Youth
140.23 Council Committee shall meet at least twice each year during the regular session of the
140.24 legislature.

140.25 (b) The committee may:

- 140.26 (1) select introduced bills in the house of representatives and senate for consideration
140.27 for a public hearing before the committee;

140.28 (2) propose youth legislation;

140.29 (3) provide advisory opinions to the legislature on bills heard before the committee;

140.30 and

140.31 (4) prepare a youth omnibus bill.

140.32 (c) The leaders of the majority and minority parties of the house of representatives
140.33 and senate shall each appoint one legislator to serve as a legislative liaison to the
140.34 committee. Leadership of the house of representatives and senate, on rotating years, may
140.35 appoint a staff member to staff the committee.

141.1 Sec. 2. [124D.143] EARLY LEARNING SCHOLARSHIPS.

141.2 Subdivision 1. Early learning scholarships established. The Office of Early
141.3 Learning must oversee the early learning scholarship program in consultation with the
141.4 Minnesota Departments of Education, Human Services, and Health.

141.5 Subd. 2. Duties. The Office of Early Learning shall administer the early learning
141.6 scholarship program, establish participation standards for children and their families,
141.7 develop criteria for qualifying providers based on section 124D.142, and contract for
141.8 administrative services as necessary with a resource and referral organization under
141.9 section 119B.19, or other nonprofit or public entity.

141.10 Subd. 3. Definitions. (a) The terms defined in the subdivision apply to this section.

141.11 (b) "Director" means the director of the Office of Early Learning.

141.12 (c) "Eligible program" means a Head Start program under section 119A.50, school
141.13 readiness program under section 124D.15, or other school district child-based program
141.14 designed to provide early education services to children not yet in kindergarten, licensed
141.15 center-based child care program under chapter 245A, or licensed family child care
141.16 program under chapter 245A or other program providing early learning opportunities.

141.17 (d) "Income" has the meaning given in section 119B.011, subdivision 15.

141.18 (e) "Parent" means the parent or legal guardian of a child.

141.19 (f) "Prospective program" means an eligible program that makes a commitment to
141.20 enhance its quality of education and care and demonstrates to the director's satisfaction
141.21 that the program is pursuing a program rating. For fiscal year 2016 and later, a prospective
141.22 program must cite a hardship or demonstrate a special circumstance as to why the program
141.23 is not yet ready to enter the rating process before the director may grant it eligibility.

141.24 (g) "Rated program" means an eligible program that receives one, two, three, or four
141.25 stars under the quality rating and improvement system established in section 124D.142.

141.26 Subd. 4. Participant eligibility. The parent of a child who will be at least three
141.27 years of age as of September 1 of the year of application is eligible to apply for an early
141.28 learning scholarship if the family's income is at or below 185 percent of the federal poverty
141.29 level. The director of the Office of Early Learning may specify the form and manner of
141.30 the application for a scholarship. The director may establish a method to determine family
141.31 income but a parent meets this requirement by documenting their child's identification
141.32 through another public funding eligibility process, including the free and reduced-price
141.33 lunch program, National School Lunch Act, United States Code, title 42, section 1751, part
141.34 210; Head Start under federal Improving Head Start for School Readiness Act of 2007;
141.35 Minnesota family investment program under chapter 256J; the Federal Supplemental
141.36 Nutrition Assistance Program; and child care assistance programs under chapter 119B and

142.1 no further information to verify income is required. Notwithstanding the other provisions
142.2 of this section, a parent under age 21 who is pursuing a high school or general education
142.3 equivalency diploma is eligible for an early learning scholarship if the parent has a child
142.4 age zero to five years old and meets the income eligibility guidelines in this subdivision.

142.5 Subd. 5. **Scholarship amount.** The director annually shall determine the maximum
142.6 scholarship amounts based on the annual early care and education provider market survey
142.7 results adjusted for inflation as determined by the director, and may establish a range
142.8 of scholarship amounts taking into account the child's level of need and geographic
142.9 location. The director shall establish a scholarship amount schedule according to the
142.10 eligible program's rating and prospective programs under subdivision 3, paragraph
142.11 (g). The scholarship amounts may be designed to be layered around other assistance
142.12 programs available to that child. The director shall not consider local funds allocated to
142.13 support an early learning program when layering scholarships around other assistance
142.14 programs. Eligible providers must be notified of the scholarship allocations available in
142.15 their geographic location.

142.16 Subd. 6. **Award of scholarships.** (a) The director shall establish application
142.17 timelines and determine the schedule for awarding scholarships that meets operational
142.18 needs of eligible programs. The director may prioritize applications on factors including
142.19 family income, geographic location, and needs of the child. By March 15, eligible
142.20 programs may notify the director of the number of scholarship-eligible children who are
142.21 eligible under subdivision 4, and who have applied for enrollment in that program. To
142.22 facilitate enrollment planning, by April 15, the director shall notify eligible programs that
142.23 have provided enrollment information under this paragraph of the scholarship status of
142.24 each applicant. To the extent practicable and taking into account family mobility, the
142.25 scholarships must be awarded to eligible recipients beginning April 15 of each year for
142.26 a child's participation in a program starting in August or September of that year. Any
142.27 siblings of a child who has been awarded a scholarship under this section must be awarded
142.28 a scholarship upon request provided the sibling attends the same program. A child who
142.29 has received a scholarship under this section must continue to receive a scholarship until
142.30 that child enrolls in kindergarten or turns six years of age.

142.31 (b) A three- or four-star rated program that has a waiting list of children eligible for
142.32 scholarships may notify the director of the program's desire to serve additional children in
142.33 order to accommodate scholarship recipients. The director may designate a predetermined
142.34 number of scholarship slots for that program and notify the program of that number.

142.35 (c) A scholarship recipient may choose any available program and is not required to
142.36 enroll in a program with a predetermined number of slots.

143.1 (d) A child who receives a scholarship who has not completed development
143.2 screening under sections 121A.16 to 121A.19 must complete that screening within 45
143.3 days of first attending an eligible program.

143.4 Subd. 7. **Scholarship recipient choice of programs.** A scholarship recipient may
143.5 choose to apply to any rated program or prospective program for acceptance. If the
143.6 scholarship recipient has not been accepted and subsequently enrolled in a rated program
143.7 within ten months of receipt of the scholarship, the scholarship cancels and the recipient
143.8 must reapply in order to be eligible for another scholarship.

143.9 Subd. 8. **Building quality.** For fiscal years 2014 and 2015 only, the director must
143.10 develop a streamlined process to encourage eligible programs to enter the rating program.
143.11 As a part of building quality in the system of providers, the director may grant a parent
143.12 authority to use a scholarship at a prospective program.

143.13 Subd. 9. **Provider reimbursement.** The director may determine the form and
143.14 method of payment to the fiscal agent for each program serving a scholarship recipient.
143.15 The director may make quarterly payments on behalf of the scholarship recipient in
143.16 advance of the services provided to the child, or arrange other payment methods for
143.17 providers. The director may request information as necessary from providers to verify
143.18 scholarship payments.

143.19 Subd. 10. **Earned income calculation.** Scholarships paid to providers on behalf
143.20 of eligible parents must not be counted as earned income for the purposes of medical
143.21 assistance, MinnesotaCare, Minnesota family investment program, diversionary work
143.22 program, child care assistance, or Head Start programs. Scholarships paid to providers on
143.23 behalf of eligible parents must not be considered child care funds for the purposes of the
143.24 child care assistance program under chapter 119B.

143.25 Subd. 11. **Student identification number.** The director may collect from
143.26 participating programs data including, but not limited to, demographic, socioeconomic,
143.27 participation, and assessment information related to scholarship program participants.
143.28 Data collected under this subdivision are private, as defined by section 13.02, subdivision
143.29 12. Participating program providers must treat the student identification numbers in a
143.30 confidential manner and must not disclose those numbers except as authorized under this
143.31 subdivision. A participating provider is liable for damages resulting from an improper
143.32 release of a student identification number under this subdivision.

143.33 Subd. 12. **Report required.** The director, in consultation with the children's
143.34 cabinet, shall develop and implement a plan to publicize and increase parent awareness of
143.35 early learning scholarships. The director must report the results of the outreach efforts to
143.36 the legislature by January 15 of each year.

144.1 Sec. 3. Minnesota Statutes 2012, section 124D.531, subdivision 1, is amended to read:

144.2 Subdivision 1. **State total adult basic education aid.** (a) The state total adult basic
144.3 education aid for fiscal year 2011 equals \$44,419,000, plus any amount that is not paid
144.4 during the previous fiscal year as a result of adjustments under subdivision 4, paragraph
144.5 (a), or section 124D.52, subdivision 3. The state total adult basic education aid for later
144.6 fiscal years equals:

144.7 (1) the state total adult basic education aid for the preceding fiscal year plus any
144.8 amount that is not paid for during the previous fiscal year, as a result of adjustments under
144.9 subdivision 4, paragraph (a), or section 124D.52, subdivision 3; times

144.10 (2) the lesser of:

144.11 (i) ~~1.02~~ 1.03; or

144.12 (ii) the average growth in state total contact hours over the prior ten program years.

144.13 Beginning in fiscal year 2002, two percent of the state total adult basic education
144.14 aid must be set aside for adult basic education supplemental service grants under section
144.15 124D.522.

144.16 (b) The state total adult basic education aid, excluding basic population aid, equals
144.17 the difference between the amount computed in paragraph (a), and the state total basic
144.18 population aid under subdivision 2.

144.19 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2015
144.20 and later.

144.21 Sec. 4. Laws 2011, First Special Session chapter 11, article 7, section 2, subdivision 8,
144.22 as amended by Laws 2012, chapter 239, article 3, section 4, is amended to read:

144.23 Subd. 8. **Early childhood education scholarships.** For grants to early childhood
144.24 education scholarships for public or private early childhood preschool programs for
144.25 children ages 3 to 5:

144.26 \$ 2,000,000 2013

144.27 (a) All children whose parents or legal guardians meet the eligibility requirements
144.28 of paragraph (b) established by the commissioner are eligible to receive early childhood
144.29 education scholarships under this section.

144.30 (b) A parent or legal guardian is eligible for an early childhood education scholarship
144.31 if the parent or legal guardian:

144.32 (1) has a child three or four years of age on September 1, beginning in calendar
144.33 year 2012; and

145.1 (2)(i) has income equal to or less than 47 percent of the state median income in the
145.2 current calendar year; or

145.3 (ii) can document their child's identification through another public funding
145.4 eligibility process, including the Free and Reduced Price Lunch Program, National School
145.5 Lunch Act, United States Code, title 42, section 1751, part 210; Head Start under federal
145.6 Improving Head Start for School Readiness Act of 2007; Minnesota family investment
145.7 program under chapter 256J; and child care assistance programs under chapter 119B.

145.8 Early childhood scholarships may not be counted as earned income for the purposes of
145.9 medical assistance, MinnesotaCare, Minnesota family investment program, child care
145.10 assistance, or Head Start programs.

145.11 Each year, if this appropriation is insufficient to provide early childhood education
145.12 scholarships to all eligible children, the Department of Education shall make scholarships
145.13 available on a first-come, first-served basis.

145.14 The commissioner of education shall submit a written report to the education
145.15 committees of the legislature by January 15, 2012, describing its plan for implementation
145.16 of scholarships under this subdivision for the 2012-2013 school year.

145.17 Any balance in the first year does not cancel but is available in the second year.

145.18 The base for this program is \$3,000,000 each year.

145.19 **EFFECTIVE DATE.** This section is effective the day following final enactment
145.20 and applies to early learning scholarships received during fiscal year 2013.

145.21 **Sec. 5. FISCAL YEAR 2014 ONLY.**

145.22 Notwithstanding the timelines in section 2, for fiscal year 2014 only, the director
145.23 shall establish an expedited process to award scholarships to eligible recipients attending
145.24 three- or four-star rated programs to accommodate those eligible programs with fall
145.25 enrollment deadlines.

145.26 **Sec. 6. APPROPRIATIONS.**

145.27 **Subdivision 1. Department of Education.** The sums indicated in this section are
145.28 appropriated from the general fund to the Department of Education for the fiscal years
145.29 designated.

145.30 **Subd. 2. School readiness.** For revenue for school readiness programs under
145.31 Minnesota Statutes, sections 124D.15 and 124D.16:

145.32	\$	<u>10,095,000</u>	.....	<u>2014</u>
145.33	\$	<u>10,159,000</u>	.....	<u>2015</u>

146.1 The 2014 appropriation includes \$1,372,000 for 2013 and \$8,723,000 for 2014.

146.2 The 2015 appropriation includes \$1,372,000 for 2014 and \$8,787,000 for 2015.

146.3 Subd. 3. **Early childhood family education aid.** For early childhood family
 146.4 education aid under Minnesota Statutes, section 124D.135:

146.5 \$ 22,078,000 2014

146.6 \$ 22,425,000 2015

146.7 The 2014 appropriation includes \$3,008,000 for 2013 and \$19,070,000 for 2014.

146.8 The 2015 appropriation includes \$3,001,000 for 2014 and \$19,424,000 for 2015.

146.9 Subd. 4. **Health and developmental screening aid.** For health and developmental
 146.10 screening aid under Minnesota Statutes, sections 121A.17 and 121A.19:

146.11 \$ 3,421,000 2014

146.12 \$ 3,344,000 2015

146.13 The 2014 appropriation includes \$474,000 for 2013 and \$2,947,000 for 2014.

146.14 The 2015 appropriation includes \$463,000 for 2014 and \$2,881,000 for 2015.

146.15 Subd. 5. **Head Start program.** For Head Start programs under Minnesota Statutes,
 146.16 section 119A.52:

146.17 \$ 22,171,000 2014

146.18 \$ 20,100,000 2015

146.19 For the fiscal year 2014 appropriation only, the lesser of 50 percent of the actual
 146.20 loss of revenue to sequestration or \$2,071,000 must be used to replace a portion of the
 146.21 federal funds lost to sequestration and must be distributed proportionate to the loss among
 146.22 all programs.

146.23 Subd. 6. **Educate parents partnership.** For the educate parents partnership under
 146.24 Minnesota Statutes, section 124D.129:

146.25 \$ 49,000 2014

146.26 \$ 49,000 2015

146.27 Subd. 7. **Kindergarten entrance assessment initiative and intervention**
 146.28 program. For the kindergarten entrance assessment initiative and intervention program
 146.29 under Minnesota Statutes, section 124D.162:

146.30 \$ 281,000 2014

146.31 \$ 281,000 2015

147.1 Subd. 8. **Early childhood education scholarships.** For transfer to the Office of
 147.2 Early Learning for early learning scholarships under Minnesota Statutes, section 124D.143:

147.3 \$ 25,000,000 2014

147.4 \$ 31,000,000 2015

147.5 Up to \$950,000 each year is for administration of this program.

147.6 Any balance in the first year does not cancel but is available in the second year.

147.7 The base for this program is \$52,000,000 for fiscal year 2016 and \$75,000,000 for
 147.8 fiscal year 2017 and later.

147.9 Subd. 9. **Parent-child home program.** For a grant for a parent-child home program:

147.10 \$ \$250,000 2014

147.11 \$ \$250,000 2015

147.12 The grant must be used for an evidence-based and research-validated early childhood
 147.13 literacy and school readiness program for children ages 16 months to four years. Any
 147.14 unexpended balance in the first year does not cancel but is available in the second year.

147.15 Subd. 10. **Community education aid.** For community education aid under
 147.16 Minnesota Statutes, section 124D.20:

147.17 \$ 935,000 2014

147.18 \$ 1,056,000 2015

147.19 The 2014 appropriation includes \$118,000 for 2013 and \$817,000 for 2014.

147.20 The 2015 appropriation includes \$128,000 for 2014 and \$928,000 for 2015.

147.21 Subd. 11. **Adults with disabilities program aid.** For adults with disabilities
 147.22 programs under Minnesota Statutes, section 124D.56:

147.23 \$ 710,000 2014

147.24 \$ 710,000 2015

147.25 The 2014 appropriation includes \$96,000 for 2013 and \$614,000 for 2014.

147.26 The 2015 appropriation includes \$96,000 for 2014 and \$614,000 for 2015.

147.27 Subd. 12. **Hearing-impaired adults.** For programs for hearing-impaired adults
 147.28 under Minnesota Statutes, section 124D.57:

147.29 \$ 70,000 2014

147.30 \$ 70,000 2015

147.31 Subd. 13. **School-age care revenue.** For extended day aid under Minnesota
 147.32 Statutes, section 124D.22:

148.1 \$ 1,000 2014

148.2 \$ 1,000 2015

148.3 The 2014 appropriation includes \$0 for 2013 and \$1,000 for 2014.

148.4 The 2015 appropriation includes \$0 for 2014 and \$1,000 for 2015.

148.5 Subd. 14. **Adult basic education aid.** For adult basic education aid under

148.6 Minnesota Statutes, section 124D.531:

148.7 \$ 47,005,000 2014

148.8 \$ 48,356,000 2015

148.9 The 2014 appropriation includes \$6,284,000 for 2013 and \$40,721,000 for 2014.

148.10 The 2015 appropriation includes \$6,409,000 for 2014 and \$41,947,000 for 2015.

148.11 Subd. 15. **GED tests.** For payment of 60 percent of the costs of GED tests under

148.12 Minnesota Statutes, section 124D.55:

148.13 \$ 125,000 2014

148.14 \$ 125,000 2015

148.15

ARTICLE 9

148.16

STATE AGENCIES

148.17 Section 1. **APPROPRIATIONS; DEPARTMENT OF EDUCATION.**

148.18 Subdivision 1. **Department of Education.** Unless otherwise indicated, the sums

148.19 indicated in this section are appropriated from the general fund to the Department of

148.20 Education for the fiscal years designated.

148.21 Subd. 2. **Department.** (a) For the Department of Education:

148.22 \$ 19,214,000 2014

148.23 \$ 19,386,000 2015

148.24 Any balance in the first year does not cancel but is available in the second year.

148.25 (b) \$260,000 each year is for the Minnesota Children's Museum.

148.26 (c) \$41,000 each year is for the Minnesota Academy of Science.

148.27 (d) \$50,000 each year is for the Duluth Children's Museum.

148.28 (e) \$618,000 each year is for the Board of Teaching. Any balance in the first year

148.29 does not cancel but is available in the second year.

148.30 (f) \$167,000 each year is for the Board of School Administrators. Any balance in

148.31 the first year does not cancel but is available in the second year.

149.1 (g) The expenditures of federal grants and aids as shown in the biennial budget
 149.2 document and its supplements are approved and appropriated and shall be spent as
 149.3 indicated.

149.4 (h) None of the amounts appropriated under this subdivision may be used for
 149.5 Minnesota's Washington, D.C. office.

149.6 Subd. 3. **Licensure by portfolio.** For licensure by portfolio:

149.7 \$ 30,000 2014

149.8 \$ 30,000 2015

149.9 This appropriation is from the educator licensure portfolio account of the special
 149.10 revenue fund.

149.11 Sec. 2. **APPROPRIATIONS; MINNESOTA STATE ACADEMIES.**

149.12 The sums indicated in this section are appropriated from the general fund to the
 149.13 Minnesota State Academies for the Deaf and the Blind for the fiscal years designated:

149.14 \$ 11,897,000 2014

149.15 \$ 11,910,000 2015

149.16 \$85,000 of the fiscal year 2014 appropriation is for costs associated with upgrading
 149.17 kitchen facilities. Any balance in the first year does not cancel but is available in the
 149.18 second year.

149.19 Sec. 3. **APPROPRIATIONS; PERPICH CENTER FOR ARTS EDUCATION.**

149.20 The sums in this section are appropriated from the general fund to the Perpich
 149.21 Center for Arts Education for the fiscal years designated:

149.22 \$ 6,786,000 2014

149.23 \$ 6,848,000 2015

149.24 Any balance in the first year does not cancel but is available in the second year.

149.25 **ARTICLE 10**

149.26 **FORECAST ADJUSTMENTS**

149.27 **A. GENERAL EDUCATION**

149.28 Section 1. Laws 2011, First Special Session chapter 11, article 1, section 36, subdivision
 149.29 2, as amended by Laws 2012, chapter 292, article 2, section 1, is amended to read:

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

150.1 \$ 5,379,068,000 2012
 150.2 ~~5,844,995,000~~
 150.3 \$ 7,153,701,000 2013

150.4 The 2012 appropriation includes \$1,660,922,000 for 2011 and \$3,718,146,000
 150.5 for 2012.

150.6 The 2013 appropriation includes \$2,038,568,000 for 2012 and ~~\$3,806,427,000~~
 150.7 \$5,115,133,000 for 2013.

150.8 Sec. 2. Laws 2011, First Special Session chapter 11, article 1, section 36, subdivision
 150.9 3, as amended by Laws 2012, chapter 292, article 2, section 2, is amended to read:

150.10 Subd. 3. **Enrollment options transportation.** For transportation of pupils attending
 150.11 postsecondary institutions under Minnesota Statutes, section 124D.09, or for transportation
 150.12 of pupils attending nonresident districts under Minnesota Statutes, section 124D.03:

150.13 \$ 42,000 2012
 150.14 ~~46,000~~
 150.15 \$ 40,000 2013

150.16 Sec. 3. Laws 2011, First Special Session chapter 11, article 1, section 36, subdivision
 150.17 4, as amended by Laws 2012, chapter 292, article 2, section 3, is amended to read:

150.18 Subd. 4. **Abatement revenue.** For abatement aid under Minnesota Statutes, section
 150.19 127A.49:

150.20 \$ 1,406,000 2012
 150.21 ~~2,072,000~~
 150.22 \$ 2,503,000 2013

150.23 The 2012 appropriation includes \$346,000 for 2011 and \$1,060,000 for 2012.

150.24 The 2013 appropriation includes \$588,000 for 2012 and ~~\$1,484,000~~ \$1,915,000
 150.25 for 2013.

150.26 Sec. 4. Laws 2011, First Special Session chapter 11, article 1, section 36, subdivision
 150.27 5, as amended by Laws 2012, chapter 292, article 2, section 4, is amended to read:

150.28 Subd. 5. **Consolidation transition.** For districts consolidating under Minnesota
 150.29 Statutes, section 123A.485:

150.30 \$ 145,000 2012
 150.31 ~~193,000~~
 150.32 \$ 260,000 2013

150.33 The 2012 appropriation includes \$145,000 for 2011 and \$0 for 2012.

150.34 The 2013 appropriation includes \$0 for 2012 and ~~\$193,000~~ \$260,000 for 2013.

151.1 Sec. 5. Laws 2011, First Special Session chapter 11, article 1, section 36, subdivision
151.2 6, as amended by Laws 2012, chapter 292, article 2, section 5, is amended to read:

151.3 Subd. 6. **Nonpublic pupil education aid.** For nonpublic pupil education aid under
151.4 Minnesota Statutes, sections 123B.40 to 123B.43 and 123B.87:

151.5 \$ 14,302,000 2012

151.6 ~~15,594,000~~

151.7 \$ 18,969,000 2013

151.8 The 2012 appropriation includes \$4,161,000 for 2011 and \$10,141,000 for 2012.

151.9 The 2013 appropriation includes \$5,629,000 for 2012 and ~~\$9,965,000~~ \$13,340,000
151.10 for 2013.

151.11 Sec. 6. Laws 2011, First Special Session chapter 11, article 1, section 36, subdivision
151.12 7, as amended by Laws 2012, chapter 292, article 2, section 6, is amended to read:

151.13 Subd. 7. **Nonpublic pupil transportation.** For nonpublic pupil transportation aid
151.14 under Minnesota Statutes, section 123B.92, subdivision 9:

151.15 \$ 17,757,000 2012

151.16 ~~19,036,000~~

151.17 \$ 23,648,000 2013

151.18 The 2012 appropriation includes \$5,700,000 for 2011 and \$12,057,000 for 2012.

151.19 The 2013 appropriation includes \$6,694,000 for 2012 and ~~\$12,342,000~~ \$16,954,000
151.20 for 2013.

151.21 Sec. 7. Laws 2011, First Special Session chapter 11, article 1, section 36, subdivision
151.22 10, as amended by Laws 2012, chapter 292, article 2, section 7, is amended to read:

151.23 Subd. 10. **Compensatory pilot project formula aid.** For grants for compensatory
151.24 pilot project formula aid as calculated under this subdivision:

151.25 ~~9,368,000~~

151.26 \$ 13,403,000 2013

151.27 For fiscal year 2013 only, a district which has a pupil unit count that is in the top 20
151.28 largest pupil unit counts is eligible for the greater of zero or \$1,400 times the number of
151.29 compensatory pupil units, minus the amount of compensatory education revenue received
151.30 by the district under Minnesota Statutes, section 126C.10, subdivision 3.

151.31 The 2013 appropriation includes \$0 for 2012 and ~~\$9,368,000~~ \$13,403,000 for 2013.

151.32 This is a onetime appropriation.

151.33

B. EDUCATION EXCELLENCE

152.1 Sec. 8. Laws 2011, First Special Session chapter 11, article 2, section 50, subdivision
152.2 2, as amended by Laws 2012, chapter 292, article 2, section 8, is amended to read:

152.3 Subd. 2. **Charter school building lease aid.** For building lease aid under Minnesota
152.4 Statutes, section 124D.11, subdivision 4:

152.5 \$ 42,806,000 2012

152.6 ~~48,978,000~~

152.7 \$ 60,067,000 2013

152.8 The 2012 appropriation includes \$12,642,000 for 2011 and \$30,164,000 for 2012.

152.9 The 2013 appropriation includes \$16,746,000 for 2012 and ~~\$32,232,000~~ \$43,321,000
152.10 for 2013.

152.11 Sec. 9. Laws 2011, First Special Session chapter 11, article 2, section 50, subdivision
152.12 4, as amended by Laws 2012, chapter 292, article 2, section 10, is amended to read:

152.13 Subd. 4. **Integration aid.** For integration aid under Minnesota Statutes, section
152.14 124D.86:

152.15 \$ 61,181,000 2012

152.16 ~~65,498,000~~

152.17 \$ 79,329,000 2013

152.18 The 2012 appropriation includes \$19,272,000 for 2011 and \$41,909,000 for 2012.

152.19 The 2013 appropriation includes \$23,268,000 for 2012 and ~~\$42,230,000~~ \$56,061,000
152.20 for 2013.

152.21 The base for the final payment in fiscal year 2014 for fiscal year 2013 is ~~\$31,668,000~~
152.22 \$17,197,000.

152.23 Sec. 10. Laws 2011, First Special Session chapter 11, article 2, section 50, subdivision
152.24 5, as amended by Laws 2012, chapter 292, article 2, section 11, is amended to read:

152.25 Subd. 5. **Literacy incentive aid.** For literacy incentive aid under Minnesota
152.26 Statutes, section 124D.98:

152.27 ~~31,241,000~~

152.28 \$ 41,978,000 2013

152.29 The 2013 appropriation includes \$0 for 2012 and ~~\$31,241,000~~ \$41,978,000 for 2013.

152.30 Sec. 11. Laws 2011, First Special Session chapter 11, article 2, section 50, subdivision
152.31 6, as amended by Laws 2012, chapter 292, article 2, section 12, is amended to read:

152.32 Subd. 6. **Interdistrict desegregation or integration transportation grants.** For
152.33 interdistrict desegregation or integration transportation grants under Minnesota Statutes,
152.34 section 124D.87:

153.1 \$ 13,262,000 2012
153.2 ~~13,966,000~~
153.3 \$ 13,260,000 2013

153.4 Sec. 12. Laws 2011, First Special Session chapter 11, article 2, section 50, subdivision
153.5 7, as amended by Laws 2012, chapter 292, article 2, section 13, is amended to read:

153.6 Subd. 7. **Success for the future.** For American Indian success for the future grants
153.7 under Minnesota Statutes, section 124D.81:

153.8 \$ 2,013,000 2012
153.9 ~~2,137,000~~
153.10 \$ 2,609,000 2013

153.11 The 2012 appropriation includes \$638,000 for 2011 and \$1,375,000 for 2012.

153.12 The 2013 appropriation includes \$762,000 for 2012 and ~~\$1,375,000~~ \$1,847,000
153.13 for 2013.

153.14 Sec. 13. Laws 2011, First Special Session chapter 11, article 2, section 50, subdivision
153.15 9, as amended by Laws 2012, chapter 292, article 2, section 14, is amended to read:

153.16 Subd. 9. **Tribal contract schools.** For tribal contract school aid under Minnesota
153.17 Statutes, section 124D.83:

153.18 \$ 1,791,000 2012
153.19 ~~1,969,000~~
153.20 \$ 2,353,000 2013

153.21 The 2012 appropriation includes \$600,000 for 2011 and \$1,191,000 for 2012.

153.22 The 2013 appropriation includes \$660,000 for 2012 and ~~\$1,309,000~~ \$1,693,000
153.23 for 2013.

153.24 **C. SPECIAL EDUCATION**

153.25 Sec. 14. Laws 2011, First Special Session chapter 11, article 3, section 11, subdivision
153.26 2, as amended by Laws 2012, chapter 292, article 2, section 15, is amended to read:

153.27 Subd. 2. **Special education; regular.** For special education aid under Minnesota
153.28 Statutes, section 125A.75:

153.29 \$ 767,845,000 2012
153.30 ~~856,386,000~~
153.31 \$ 1,046,423,000 2013

153.32 The 2012 appropriation includes \$235,975,000 for 2011 and \$531,870,000 for 2012.

153.33 The 2013 appropriation includes \$295,299,000 for 2012 and ~~\$561,087,000~~
153.34 \$751,124,000 for 2013.

154.1 Sec. 15. Laws 2011, First Special Session chapter 11, article 3, section 11, subdivision
154.2 3, as amended by Laws 2012, chapter 292, article 2, section 16, is amended to read:

154.3 Subd. 3. **Aid for children with disabilities.** For aid under Minnesota Statutes,
154.4 section 125A.75, subdivision 3, for children with disabilities placed in residential facilities
154.5 within the district boundaries for whom no district of residence can be determined:

154.6 \$ 1,508,000 2012

154.7 ~~1,593,000~~

154.8 \$ 1,570,000 2013

154.9 If the appropriation for either year is insufficient, the appropriation for the other
154.10 year is available.

154.11 Sec. 16. Laws 2011, First Special Session chapter 11, article 3, section 11, subdivision
154.12 4, as amended by Laws 2012, chapter 292, article 2, section 17, is amended to read:

154.13 Subd. 4. **Travel for home-based services.** For aid for teacher travel for home-based
154.14 services under Minnesota Statutes, section 125A.75, subdivision 1:

154.15 \$ 314,000 2012

154.16 ~~321,000~~

154.17 \$ 407,000 2013

154.18 The 2012 appropriation includes \$107,000 for 2011 and \$207,000 for 2012.

154.19 The 2013 appropriation includes \$114,000 for 2012 and ~~\$207,000~~ \$293,000 for 2013.

154.20 Sec. 17. Laws 2011, First Special Session chapter 11, article 3, section 11, subdivision
154.21 5, as amended by Laws 2012, chapter 292, article 2, section 18, is amended to read:

154.22 Subd. 5. **Special education; excess costs.** For excess cost aid under Minnesota
154.23 Statutes, section 125A.79, subdivision 7:

154.24 \$ 107,557,000 2012

154.25 ~~115,269,000~~

154.26 \$ 134,121,000 2013

154.27 The 2012 appropriation includes \$53,449,000 for 2011 and \$54,108,000 for 2012.

154.28 The 2013 appropriation includes \$59,607,000 for 2012 and ~~\$55,662,000~~ \$74,514,000
154.29 for 2013.

154.30 **D. FACILITIES AND TECHNOLOGY**

154.31 Sec. 18. Laws 2011, First Special Session chapter 11, article 4, section 10, subdivision
154.32 2, as amended by Laws 2012, chapter 292, article 2, section 19, is amended to read:

154.33 Subd. 2. **Health and safety revenue.** For health and safety aid according to
154.34 Minnesota Statutes, section 123B.57, subdivision 5:

155.1 \$ 98,000 2012
 155.2 ~~157,000~~
 155.3 \$ 200,000 2013

155.4 The 2012 appropriation includes \$39,000 for 2011 and \$59,000 for 2012.

155.5 The 2013 appropriation includes \$32,000 for 2012 and ~~\$125,000~~ \$168,000 for 2013.

155.6 Sec. 19. Laws 2011, First Special Session chapter 11, article 4, section 10, subdivision
 155.7 3, as amended by Laws 2012, chapter 292, article 2, section 20, is amended to read:

155.8 Subd. 3. **Debt service equalization.** For debt service aid according to Minnesota
 155.9 Statutes, section 123B.53, subdivision 6:

155.10 \$ 11,625,000 2012
 155.11 ~~16,342,000~~
 155.12 \$ 20,237,000 2013

155.13 The 2012 appropriation includes \$2,604,000 for 2011 and \$9,021,000 for 2012.

155.14 The 2013 appropriation includes \$5,008,000 for 2012 and ~~\$11,334,000~~ \$15,229,000
 155.15 for 2013.

155.16 Sec. 20. Laws 2011, First Special Session chapter 11, article 4, section 10, subdivision
 155.17 4, as amended by Laws 2012, chapter 292, article 2, section 21, is amended to read:

155.18 Subd. 4. **Alternative facilities bonding aid.** For alternative facilities bonding aid,
 155.19 according to Minnesota Statutes, section 123B.59, subdivision 1:

155.20 \$ 18,187,000 2012
 155.21 ~~19,287,000~~
 155.22 \$ 23,549,000 2013

155.23 The 2012 appropriation includes \$5,785,000 for 2011 and \$12,402,000 for 2012.

155.24 The 2013 appropriation includes \$6,885,000 for 2012 and ~~\$12,402,000~~ \$16,664,000
 155.25 for 2013.

155.26 Sec. 21. Laws 2011, First Special Session chapter 11, article 4, section 10, subdivision
 155.27 6, as amended by Laws 2012, chapter 292, article 2, section 22, is amended to read:

155.28 Subd. 6. **Deferred maintenance aid.** For deferred maintenance aid, according to
 155.29 Minnesota Statutes, section 123B.591, subdivision 4:

155.30 \$ 2,331,000 2012
 155.31 ~~3,141,000~~
 155.32 \$ 3,817,000 2013

155.33 The 2012 appropriation includes \$676,000 for 2011 and \$1,655,000 for 2012.

156.1 The 2013 appropriation includes \$918,000 for 2012 and ~~\$2,223,000~~ \$2,899,000
 156.2 for 2013.

156.3 **E. NUTRITION AND LIBRARIES**

156.4 Sec. 22. Laws 2011, First Special Session chapter 11, article 5, section 12, subdivision
 156.5 2, as amended by Laws 2012, chapter 292, article 2, section 23, is amended to read:

156.6 Subd. 2. **School lunch.** For school lunch aid according to Minnesota Statutes,
 156.7 section 124D.111, and Code of Federal Regulations, title 7, section 210.17:

156.8	\$	12,285,000	.....	2012
156.9		12,524,000		
156.10	\$	<u>12,266,000</u>	.....	2013

156.11 Sec. 23. Laws 2011, First Special Session chapter 11, article 5, section 12, subdivision
 156.12 3, as amended by Laws 2012, chapter 292, article 2, section 24, is amended to read:

156.13 Subd. 3. **School breakfast.** For traditional school breakfast aid under Minnesota
 156.14 Statutes, section 124D.1158:

156.15	\$	5,247,000	.....	2012
156.16		5,560,000		
156.17	\$	<u>5,417,000</u>	.....	2013

156.18 Sec. 24. Laws 2011, First Special Session chapter 11, article 5, section 12, subdivision
 156.19 4, as amended by Laws 2012, chapter 292, article 2, section 25, is amended to read:

156.20 Subd. 4. **Kindergarten milk.** For kindergarten milk aid under Minnesota Statutes,
 156.21 section 124D.118:

156.22	\$	1,025,000	.....	2012
156.23		1,035,000		
156.24	\$	<u>1,019,000</u>	.....	2013

156.25 Sec. 25. Laws 2011, First Special Session chapter 11, article 6, section 2, subdivision
 156.26 2, as amended by Laws 2012, chapter 292, article 2, section 26, is amended to read:

156.27 Subd. 2. **Basic system support.** For basic system support grants under Minnesota
 156.28 Statutes, section 134.355:

156.29	\$	12,797,000	.....	2012
156.30		13,570,000		
156.31	\$	<u>16,569,000</u>	.....	2013

156.32 The 2012 appropriation includes \$4,071,000 for 2011 and \$8,726,000 for 2012.

157.1 The 2013 appropriation includes \$4,844,000 for 2012 and ~~\$8,726,000~~ \$11,725,000
 157.2 for 2013.

157.3 Sec. 26. Laws 2011, First Special Session chapter 11, article 6, section 2, subdivision
 157.4 3, as amended by Laws 2012, chapter 292, article 2, section 27, is amended to read:

157.5 Subd. 3. **Multicounty, multitype library systems.** For grants under Minnesota
 157.6 Statutes, sections 134.353 and 134.354, to multicounty, multitype library systems:

157.7 \$ 1,226,000 2012

157.8 ~~1,300,000~~

157.9 \$ 1,588,000 2013

157.10 The 2012 appropriation includes \$390,000 for 2011 and \$836,000 for 2012.

157.11 The 2013 appropriation includes \$464,000 for 2012 and ~~\$836,000~~ \$1,124,000 for
 157.12 2013.

157.13 Sec. 27. Laws 2011, First Special Session chapter 11, article 6, section 2, subdivision
 157.14 5, as amended by Laws 2012, chapter 292, article 2, section 28, is amended to read:

157.15 Subd. 5. **Regional library telecommunications aid.** For regional library
 157.16 telecommunications aid under Minnesota Statutes, section 134.355:

157.17 \$ 2,169,000 2012

157.18 ~~2,300,000~~

157.19 \$ 2,809,000 2013

157.20 The 2012 appropriation includes \$690,000 for 2011 and \$1,479,000 for 2012.

157.21 The 2013 appropriation includes \$821,000 for 2012 and ~~\$1,479,000~~ \$1,988,000
 157.22 for 2013.

157.23 **F. EARLY CHILDHOOD EDUCATION, PREVENTION, AND**
 157.24 **LIFELONG LEARNING**

157.25 Sec. 28. Laws 2011, First Special Session chapter 11, article 7, section 2, subdivision
 157.26 2, as amended by Laws 2012, chapter 292, article 2, section 29, is amended to read:

157.27 Subd. 2. **School readiness.** For revenue for school readiness programs under
 157.28 Minnesota Statutes, sections 124D.15 and 124D.16:

157.29 \$ 9,444,000 2012

157.30 ~~10,095,000~~

157.31 \$ 12,326,000 2013

157.32 The 2012 appropriation includes \$2,952,000 for 2011 and \$6,492,000 for 2012.

157.33 The 2013 appropriation includes \$3,603,000 for 2012 and ~~\$6,492,000~~ \$8,723,000
 157.34 for 2013.

158.1 Sec. 29. Laws 2011, First Special Session chapter 11, article 7, section 2, subdivision
158.2 3, as amended by Laws 2012, chapter 292, article 2, section 30, is amended to read:

158.3 Subd. 3. **Early childhood family education aid.** For early childhood family
158.4 education aid under Minnesota Statutes, section 124D.135:

158.5 \$ 21,099,000 2012

158.6 ~~22,358,000~~

158.7 \$ 27,197,000 2013

158.8 The 2012 appropriation includes \$6,542,000 for 2011 and \$14,557,000 for 2012.

158.9 The 2013 appropriation includes \$8,082,000 for 2012 and ~~\$14,276,000~~ \$19,115,000
158.10 for 2013.

158.11 Sec. 30. Laws 2011, First Special Session chapter 11, article 7, section 2, subdivision
158.12 4, as amended by Laws 2012, chapter 292, article 2, section 31, is amended to read:

158.13 Subd. 4. **Health and developmental screening aid.** For health and developmental
158.14 screening aid under Minnesota Statutes, sections 121A.17 and 121A.19:

158.15 \$ 3,359,000 2012

158.16 ~~3,543,000~~

158.17 \$ 4,287,000 2013

158.18 The 2012 appropriation includes \$1,066,000 for 2011 and \$2,293,000 for 2012.

158.19 The 2013 appropriation includes \$1,273,000 for 2012 and ~~\$2,270,000~~ \$3,014,000
158.20 for 2013.

158.21 Sec. 31. Laws 2011, First Special Session chapter 11, article 8, section 2, subdivision
158.22 2, as amended by Laws 2012, chapter 292, article 2, section 32, is amended to read:

158.23 Subd. 2. **Community education aid.** For community education aid under
158.24 Minnesota Statutes, section 124D.20:

158.25 \$ 442,000 2012

158.26 ~~746,000~~

158.27 \$ 926,000 2013

158.28 The 2012 appropriation includes \$134,000 for 2011 and \$308,000 for 2012.

158.29 The 2013 appropriation includes \$170,000 for 2012 and ~~\$576,000~~ \$756,000 for 2013.

158.30 Sec. 32. Laws 2011, First Special Session chapter 11, article 8, section 2, subdivision
158.31 3, as amended by Laws 2012, chapter 292, article 2, section 33, is amended to read:

158.32 Subd. 3. **Adults with disabilities program aid.** For adults with disabilities
158.33 programs under Minnesota Statutes, section 124D.56:

159.1 \$ 654,000 2012
 159.2 ~~710,000~~
 159.3 \$ 867,000 2013

159.4 The 2012 appropriation includes \$197,000 for 2011 and \$457,000 for 2012.

159.5 The 2013 appropriation includes \$253,000 for 2012 and ~~\$457,000~~ \$614,000 for 2013.

159.6 Sec. 33. Laws 2011, First Special Session chapter 11, article 9, section 3, subdivision
 159.7 2, as amended by Laws 2012, chapter 292, article 2, section 34, is amended to read:

159.8 Subd. 2. **Adult basic education aid.** For adult basic education aid under Minnesota
 159.9 Statutes, section 124D.531:

159.10 \$ 42,526,000 2012
 159.11 ~~45,901,000~~
 159.12 \$ 56,113,000 2013

159.13 The 2012 appropriation includes \$13,364,000 for 2011 and \$29,162,000 for 2012.

159.14 The 2013 appropriation includes \$16,190,000 for 2012 and ~~\$29,711,000~~ \$39,923,000
 159.15 for 2013."

159.16 Delete the title and insert:

159.17 "A bill for an act
 159.18 relating to education; providing funding and policy for early childhood and
 159.19 family, prekindergarten through grade 12, and adult education, including general
 159.20 education, student accountability, education excellence, charter schools, special
 159.21 education, facilities, technology, nutrition, libraries, accounting, early childhood,
 159.22 self-sufficiency, lifelong learning, state agencies, and forecast adjustments;
 159.23 authorizing rulemaking; requiring reports; appropriating money; amending
 159.24 Minnesota Statutes 2012, sections 15.059, subdivision 5b; 120A.20, subdivision
 159.25 1; 120A.40; 120A.41; 120B.02; 120B.021, subdivision 1; 120B.023; 120B.024;
 159.26 120B.125; 120B.128; 120B.30, subdivisions 1, 1a; 120B.31, subdivision
 159.27 1; 120B.35, subdivision 3; 120B.36, subdivision 1; 121A.22, subdivision
 159.28 2; 121A.2205; 122A.09, subdivision 4; 122A.18, subdivision 2; 122A.23,
 159.29 subdivision 2; 122A.28, subdivision 1; 122A.33, subdivision 3; 122A.61,
 159.30 subdivision 1; 123B.54; 123B.88, subdivision 22; 123B.92, subdivisions 1,
 159.31 5; 124D.02, subdivision 1; 124D.10; 124D.11, subdivision 5; 124D.111,
 159.32 subdivision 1; 124D.119; 124D.122; 124D.128, subdivision 2; 124D.42;
 159.33 124D.4531, subdivision 1; 124D.52, by adding a subdivision; 124D.531,
 159.34 subdivision 1; 124D.59, subdivision 2; 124D.61; 124D.79, subdivision 1,
 159.35 by adding a subdivision; 125A.0941; 125A.0942; 125A.11, subdivision 1;
 159.36 125A.27, subdivisions 8, 11, 14; 125A.28; 125A.29; 125A.30; 125A.32;
 159.37 125A.33; 125A.35, subdivision 1; 125A.36; 125A.43; 125A.76, subdivisions 1,
 159.38 4a, 8, by adding subdivisions; 125A.78, subdivision 2; 125A.79, subdivisions
 159.39 1, 5; 126C.01, by adding a subdivision; 126C.05, subdivision 1; 126C.10,
 159.40 subdivisions 1, 2, 14, 24, 29, 32; 126C.15, subdivisions 1, 2; 126C.17,
 159.41 subdivisions 1, 5, 6; 126C.40, subdivision 6; 126C.44; 126C.48, subdivision
 159.42 8; 127A.47, subdivision 7; 128D.11, subdivision 3; 260A.02, subdivision 3;
 159.43 260A.03; 260A.05, subdivision 1; 260A.07, subdivision 1; Laws 2007, chapter
 159.44 146, article 4, section 12; Laws 2011, First Special Session chapter 11, article
 159.45 1, section 36, subdivisions 2, as amended, 3, as amended, 4, as amended, 5, as
 159.46 amended, 6, as amended, 7, as amended, 10, as amended; article 2, section 50,
 159.47 subdivisions 2, as amended, 4, as amended, 5, as amended, 6, as amended, 7, as

160.1 amended, 9, as amended; article 3, section 11, subdivisions 2, as amended, 3, as
160.2 amended, 4, as amended, 5, as amended; article 4, section 10, subdivisions 2, as
160.3 amended, 3, as amended, 4, as amended, 6, as amended; article 5, section 12,
160.4 subdivisions 2, as amended, 3, as amended, 4, as amended; article 6, section 2,
160.5 subdivisions 2, as amended, 3, as amended, 5, as amended; article 7, section 2,
160.6 subdivisions 2, as amended, 3, as amended, 4, as amended, 8, as amended; article
160.7 8, section 2, subdivisions 2, as amended, 3, as amended; article 9, section 3,
160.8 subdivision 2, as amended; proposing coding for new law in Minnesota Statutes,
160.9 chapters 120B; 121A; 124D; 126C; proposing coding for new law as Minnesota
160.10 Statutes, chapter 16F; repealing Minnesota Statutes 2012, sections 124D.454,
160.11 subdivisions 3, 10, 11; 125A.35, subdivisions 4, 5; 125A.76, subdivisions 2, 4,
160.12 5, 7; 125A.79, subdivisions 6, 7; 126C.17, subdivision 13; Minnesota Rules,
160.13 parts 3501.0010; 3501.0020; 3501.0030, subparts 1, 2, 3, 4, 5, 6, 7, 9, 10, 11,
160.14 12, 13, 14, 15, 16; 3501.0040; 3501.0050; 3501.0060; 3501.0090; 3501.0100;
160.15 3501.0110; 3501.0120; 3501.0130; 3501.0140; 3501.0150; 3501.0160;
160.16 3501.0170; 3501.0180; 3501.0200; 3501.0210; 3501.0220; 3501.0230;
160.17 3501.0240; 3501.0250; 3501.0270; 3501.0280, subparts 1, 2; 3501.0290;
160.18 3501.0505; 3501.0510; 3501.0515; 3501.0520; 3501.0525; 3501.0530;
160.19 3501.0535; 3501.0540; 3501.0545; 3501.0550; 3501.1000; 3501.1020;
160.20 3501.1030; 3501.1040; 3501.1050; 3501.1110; 3501.1120; 3501.1130;
160.21 3501.1140; 3501.1150; 3501.1160; 3501.1170; 3501.1180; 3501.1190."