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Bill Summary

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Overview

This is the omnibus education policy and finance bill.

Section

Article 1: General Education

- 1 Permanent school fund reporting.** Directs the commissioner to report to the Permanent School Fund Advisory Committee and the legislature on the amount of the permanent school fund transfer and information about fund investments. Clarifies that the State Board of Investment must report to the advisory committee on how it maximized fund investments.
- 2 School calendar.** Allows a school district that is cooperating with a district that has a \$400,000 construction or remodeling project to also begin the school year before Labor Day.
- 3 Consolidation; maximum authorized referendum revenues.** Adjusts the referendum allowance for a consolidated district in the years following a consolidation to reflect any inflation adjustments to the referendum authority.
- 4 Alternative method.** Adjusts the referendum allowance for a consolidated district in the years following a consolidation to reflect any inflation adjustments to the referendum authority.

- 5 **Wind energy conversion system.** Authorizes a school board, individually or as a member of a joint powers board, to become a partner, member, or shareholder in a company that is formed for the sole purpose of constructing, acquiring, owning, or financing a wind energy conversion system. Prohibits a school board from selling, transmitting or distributing electrical energy at retail.
- 6 **Statement for comparison and correction.** Changes from January 15 to February 15 the date by which the commissioner must convert audited financial data into a consolidated financial statement format that is published on the Minnesota Department of Education Web site.
- 7 **Failure to limit expenditures.** Changes from January 15 to February 15 the deadline for reporting school districts in statutory operating debt to the legislature.
- 8 **Nonresident tuition rate; other costs.** To avoid billing confusion, excludes compensatory revenue from tuition billing calculations for cooperatives.
- 9 **Foreign exchange pupils.** Clarifies that school districts may count as resident pupils only those foreign exchange students enrolled in a district under a cultural exchange program registered with the Secretary of State's office.
- 10 **Sparsity revenue for school districts that close a facility.** Authorizes a school district that closes a school facility to receive the greater of its sparsity revenue computed under current law or the amount of sparsity revenue it received in the previous year.
- 11 **Basic alternative teacher compensation aid.** Clarifies the portion of basic alternative teacher compensation revenue that comes from state aid. Sets aid percentage at 73.1 percent of basic alternative teacher compensation revenue for fiscal years through 2009 and at 65 percent of basic alternative teacher compensation revenue for fiscal years 2010 and later.
- Makes this section immediately effective.
- 12 **Building allocation.** Allows the Minnesota Department of Education to pay compensatory revenue directly to cooperatives.
- 13 **Separate accounts.** Directs cooperative units to maintain separate accounts for basic skills revenue.
- 14 **Referendum revenue.** Removes the authority for the voters to file a petition to require the school board to hold an election to approve or revoke referendum revenue authority.
- 15 **Lease purchase; installment buys.** Clarifies the eligibility for the building lease levy for districts with integration revenue plans by adding cross references. Modifies language to be consistent with the current desegregation rule.
- 16 **Retired employee health benefits.** Clarifies the existing levy authority for certain retiree health benefits to reflect the 2008 changes. Creates a new levy for school districts to fund the annual costs associated with OPEB expenses. Requires a school district to: create an actuarial liability to pay for the benefits; eliminate the postemployment benefits from the current collective bargaining agreement; and apply for the levy authority in the form and manner established by the commissioner of education. Limits the total amount of the annual levy to not more than \$9.242 million for taxes payable in 2010, \$29.863 million for taxes payable in 2011 and an amount

equal to the previous year's levy plus \$14 million for taxes payable in 2012 and later.

- 17 **Safe schools levy.** Modifies the maintenance of effort requirement for school districts that make a safe schools levy. Current law requires districts to maintain at least the same level of spending for licensed school counselors, licensed school nurses, licensed school social workers, licensed school psychologists, and licensed alcohol and chemical dependency counselors. This section allows the maintenance of effort to be calculated on either a full-time employee basis or a total dollar basis.
- 18 **Alternative attendance programs.** To avoid billing confusion, excludes compensatory revenue from tuition billing calculations for cooperatives.
- 19 **Approval by electors; exception.** Limits the exception from voter approval for OPEB bonds to municipalities other than school districts (this means that a school district may still create an OPEB trust and fund it with bond proceeds, but only after an election to approve the sale of the bonds).
Makes the section effective for bonds sold after October 1, 2009.
- 20 **St. Louis County school closing.** Authorizes Independent School District No. 2142, St. Louis County, to receive sparsity revenue under section 10 regardless of the date when the school board adopts its resolution as required by that section.
- 21 **General education revenue; federal funds replacement.** Allocates \$500 million of federal funds from the fiscal stabilization account to school districts to replace the same amount of state aid.
- 22 **Fiscal stabilization account.** Creates a fiscal stabilization account in the state treasury to hold the federal stimulus money.
- 23 **Equalizing factors.** Requires the commissioner to update each equalizing factor based up on the referendum market value per actual pupil unit established under Minnesota Statutes, chapter 126C and specifies how the commissioner must make the calculation.
- 24 **Appropriations; general fund.** Appropriates state general fund money for general education aid, enrollment options transportation, abatements, consolidation programs, nonpublic pupil aids, nonpublic pupil transportation aids; compensatory revenue pilot projects, and for the Angle Inlet, Rushford-Peterson, and Lancaster schools.
- 25 **Appropriations; federal funds.** Appropriates the K-12 share of the federal stimulus funds from the federal fund account to the commissioner of education.

Article 2: Education Excellence

- 1 **Access to student records; school conferences.** (a) Allows a child's parent or guardian to designate a "significant individual" to participate in a school conference involving that child. Requires the parent or guardian to give prior written consent to allow the individual to participate in the conference and have access to data on the child that is needed for and relevant to the conference. Allows the parent or guardian to withdraw consent in writing at any time.
- (b) Allows a school to accept a suggested form included in this paragraph or another form

for purposes of providing consent under this section.

- 2 Legitimate exemptions.** Allows a student to be excused from school for mental health reasons with a note from a mental health professional.
- 3 Educational expectations for Minnesota’s students.** Ties course credits to state and local academic standards.
Strikes obsolete language distinguishing between those students who are required to pass the state basic skills tests and those who must pass the MCA-IIs. Requires Minnesota students to successfully pass state graduation exams.
Makes this section effective August 1, 2012, and applicable to 9th grade students beginning in the 2012-2013 school year and later.
- 4 Elective standards.** Establishes world language proficiency certificates. Permits all Minnesota schools to awards Minnesota World Language Proficiency Certificates or Minnesota World Language Proficiency High Achievement Certificates. Outlines the requirements a student must achieve to receive a World Language Proficiency Certificate.
Outlines the requirements a student must achieve to receive a World Language Proficiency High Achievement Certificate.
- 5 Revisions and reviews required.** Requires grades 3 through 8 and 11 math assessments to be aligned with state math standards consistent with a statutory alignment schedule.
Makes this section effective immediately.
- 6 Report.** Requires local school boards to publish a summary instead of full report on student achievement goals and local assessment data. Eliminates certain reporting requirements.
- 7 Definitions.**
- Subd. 1. Definitions.** Makes the definitions in this section applicable to the statutory chapter on educational accountability.
- Subd. 2. Growth.** Defines growth as the difference in a student’s achievement score at two or more points in time.
- Subd. 3. Value-added.** Defines value-added as the amount of achievement a student demonstrates above an established baseline.
- Subd. 4. Value-added growth.** Defines value-added growth in the context of a student’s growth score. Declares that value-added growth models use student-level data to measure what portion of a student’s growth can be attributed to the education environment.
- Subd. 5. Adequate yearly progress.** Defines adequate yearly progress based on the number of student subgroups under the federal No Child Left Behind Act in a public school or district that, based on state assessments and performance adjustments, meet or exceed federal expectations. Lists student attendance, graduation, and test participation rates as additional federal requirements.
- Subd. 6. State growth target.** (a) Defines state growth target as the average two-year assessment scores for students with similar one-year assessment scores.

- (b) Lists which school years serve as benchmarks for particular grades in establishing state growth targets, which remain in effect until the assessment scale changes.
- (c) Directs a stakeholders' group that includes assessments experts to recommend a new state growth target for the commissioner to consider when revising the state's academic standards.

Subd. 7. Low growth. Defines low growth as an assessment score that is one-half standard deviation below the state growth target.

Subd. 8. Medium growth. Defines medium growth as an assessment score that is within one-half standard deviation above or below the state growth target.

Subd. 9. High growth. Defines high growth as an assessment score that is one-half standard deviation above the state growth target.

Subd. 10. Proficiency. Defines proficiency for purposes of reporting student growth on the school performance report cards as those students who in the preceding school year scored at or above "meets standards" on the statewide assessments. Describes how student growth and proficiency information is displayed on the school report card.

Subd. 11. Growth and progress toward proficiency. Uses the categories of low, medium, and high growth to indicate both student growth and progress toward proficiency.

Makes this section effective immediately.

8 Statewide testing and reporting system.

Subd. 1. Statewide testing. (a) Aligns high school tests with required academic standards. Strikes the requirement for constructed response questions. Makes GRAD tests applicable in 2012-2013 to those few students who have not passed the Minnesota basic skills tests.

(b) Requires the state assessment system to be aligned to state academic standards. Provides a timeline for aligning mathematics, science, and language arts and reading standards and assessments.

(d) Allows students enrolled in grade 8 in any school year between the 2005-2006 and 2009-2010 school year who do not pass the math graduation-required assessment for diploma (GRAD) to receive a diploma with a passing state notation if they satisfactorily complete all coursework and credits required for graduation and participate in academic remediation and up to two re-test attempts. Allows a school board to include a notation of high achievement on students' high school diplomas indicating exemplary academic achievement during high school based on board-established criteria.

(f) Strikes language no longer applicable in the context of testing students with disabilities or limited English proficiency.

Subd. 1a. Statewide and local assessments; results. (a) For purposes of federal accountability requirements, directs the commissioner to develop reading and math assessments for grades 3 through 8, state-developed high school reading and math

tests aligned with state standards, and science assessments. Prohibits the commissioner from requiring students to achieve a passing score on high school science assessments in order to graduate.

(c) Requires assessment results to include a value-added growth indicator of student achievement.

(e) Requires schools, school districts, and charter schools to administer statewide assessments to evaluate student proficiency in the context of the state's grade-level academic standards.

Makes the temporary alternative to the state's reading and math GRAD tests applicable in the 2009-2010 through 2013-2014 school years. Makes the statutory timeline for aligning assessments to standards effective July 1, 2010, and the legislature specifically authorizes the number, subject area, grade level, and consequence of a high school math assessment. Causes the 11th grade math GRAD to remain in effect if the legislature does not act by July 1, 2010.

9 Educational accountability and public reporting. Requires Minnesota's educational accountability and reporting system to promote greater academic achievement and preparation for higher academic education, the world of work, citizenship, and the arts.

10 Educational accountability. Requires the Office of Educational Accountability to annually report growth-based value-added data and other data.

11 Statistical adjustments; student performance data. Distinguishes student performance and growth data.

12 Student academic achievement and growth.

Subd. 1. School and student indicators of growth and achievement. Requires the statewide educational accountability and reporting system to measure and separately report the adequate yearly progress of schools and the academic growth of individual students. Requires the system to include statewide measures of high and low student academic growth. Strikes obsolete language.

Subd. 2. Federal expectations for student academic achievement. (a) Requires school districts to annually determine whether schools meet federal expectations for student achievement.

Subd. 3. State growth target; other state measures. (a) Requires the state's educational assessment system to measure individual students' educational growth.

(b) Directs the commissioner, in consultation with assessment and evaluation experts and other stakeholders, to implement an assessment model that uses a value-added growth indicator and includes criteria for identifying schools with medium and high growth, and to recommend other value-added measures. Allows this model to be used to advance educators' professional development and replicate programs that meet students' diverse learning needs. Declares that data on individual teachers generated under this model are protected personnel data. Requires the model to allow users to report student growth and report and compare aggregated and disaggregated state growth data using the nine student categories under the federal No Child Left

Behind Act and gender, consistent with nonpublic data laws.

Directs the commissioner to report separate measures of student growth and proficiency.

(c) Directs the commissioner to annually report, beginning July 1, 2011, two core measures indicating the extent to which students are completing (1) course work important to preparing them for postsecondary academic and career opportunities and (2) rigorous courses of study such as advanced placement, international baccalaureate or post secondary enrollment options or industry certification courses or programs. Requires the commissioner to report these measures also in the context of the nine student categories under the federal No Child Left Behind Act and gender, consistent with nonpublic data laws.

(d) Directs the commissioner to annually report, beginning July 1, 2014, summary data on school safety and students' engagement and connection at school. Declares that the summary data under this paragraph are separate from and must not be used to measure or evaluate the performance of classroom teachers. Directs the commissioner, in consultation with qualified experts and classroom teachers, to identify highly reliable variables that generate the summary data, which may be used at the school, school district, and state levels only. Declares that data on individuals used to generate the summary data are nonpublic data.

Subd. 4. Improving schools. Directs the commissioner to annually report to the public and the legislature, beginning June 30, 2012, the organizational and curricular practices implemented by schools that demonstrate medium and high student growth.

For effective dates, directs the commissioner to implement an assessment model that uses a value-added growth indicator beginning in the 2008-2009 school year. Directs the commissioner to report on two separate student course-taking measures beginning in the 2010-2011 school year. Directs the commissioner to collect summary data on school safety and students' engagement and connection at school beginning in the 2012-2013 school year and to annually report the data beginning July 1, 2013, consistent with advice from qualified experts and classroom teachers. Directs the commissioner to annually report the organizational and curricular practices implemented by schools that demonstrate medium and high student growth beginning in the 2011-2012 school year.

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School accountability; appeals process.

Subd. 1. School performance report cards. (a) Directs the commissioner to report student academic achievement in the context of federal expectations, the percentages of students showing low, medium, and high growth, school safety and student engagement and connection, rigorous coursework, student-to-teacher ratios, staff characteristics excluding salaries, student enrollment demographics, district mobility, and extracurricular activities.

Subd. 2. Adequate yearly progress and other data. Declares that all data the department uses to determine adequate yearly progress status, set state growth targets, and determine student growth are nonpublic data until after appeals conclude. Directs the department to annually post federal adequate yearly progress data and state

student growth data to its public Web site.

Makes this section effective immediately.

- 14 Comprehensive, scientifically-based reading instruction.** (a) Clarifies what a comprehensive, scientifically-based reading instruction program includes.
 (b) Defines fluency as the ability of students to read text with speed, accuracy, and proper expression.
 (c) Defines phonemic awareness as the ability to notice, think about, and manipulate individual sounds.
 (d) Defines phonics as teaching beginning readers explicitly and systematically to understand how letters are linked to sounds to form letter-sound correspondences, to recognize spelling patterns, and to apply this knowledge to their reading.
 (e) Defines reading comprehension as teaching comprehension skills explicitly by demonstrating, explaining, modeling, and implementing specific cognitive strategies to help beginning readers derive meaning by intentional, problem-solving thinking processes.
 (f) Defines vocabulary development as teaching vocabulary both directly and indirectly, with repetition and multiple exposures to vocabulary items.
 Makes this section effective the day following final enactment.
- 15 Eligibility; board composition.** Clarifies that the six teachers who are members of the state Board of Teaching must be currently teaching or teaching at the time they were appointed and do not qualify under other clauses of this subdivision.
- 16 Vacant position.** Excepts a teacher who retires from teaching while serving as a Board of Teaching member from having that teacher's position on the board declared vacant.
- 17 Licensure and rules.** Includes as part of the Board of Teaching's licensure exams an assessment of reading instruction for teacher licensure prekindergarten and elementary school candidates.
- 18 Commissioner's assistance; board money.** Eliminates a cross reference relating to the requirements for assessment professionals that is repealed.
- 19 Reading strategies.** Makes an additional requirement on all colleges and universities approved by the Board of Teaching to prepare licensure candidate for the Minnesota reading instruction competence assessment.
 Makes this section effective the day following final enactment.
- 20 Expiration and renewal.** (b) Allows educators applying to renew their licenses to present to their local licensing committees evidence of work that demonstrates professional reflection and growth in best teaching practices. Requires applicants to include a reflective statement of professional accomplishment and the applicants' own assessment of professional growth that shows evidence of (1) support for student learning, (2) use of best practices, (3) collaborative work with colleagues, and (4) continual professional development. Directs the board of teaching to ensure that its teacher relicensing requirements include the substance of this paragraph.
 Makes this section applicable to licensees seeking relicensure beginning July 1, 2012.
- 21 Mentoring for probationary teachers.** Allows school districts to have trained observers serve as mentors or coaches and to have probationary teachers participate in professional learning communities as part of the district's peer review process for probationary teachers.

Makes this section effective for the 2009-2010 school year and later.

- 22 **Peer coaching for continuing contract teachers.** Allows school districts to have trained observers serve as mentors or coaches and to have continuing contract teachers participate in professional learning communities as part of the district's peer review process for continuing contract teachers.
Makes this section effective for the 2009-2010 school year and later.
- 23 **Mentoring for probationary teachers.** Allows first class city school districts to have trained observers serve as mentors or coaches and to have probationary teachers participate in professional learning communities as part of the district's peer review process for probationary teachers.
Makes this section effective for the 2009-2010 school year and later.
- 24 **Peer coaching for continuing contract teachers.** Allows first class city school districts to have trained observers serve as mentors or coaches and to have continuing contract teachers participate in professional learning communities as part of the district's peer review process for continuing contract teachers.
Makes this section effective for the 2009-2010 school year and later.
- 25 **Plan components.** Includes as an element of the educational improvement plan under Q-Comp, a rigorous and research-based professional development system based on national and state standards of effective teaching practice that is consistent with staff development programs and aligned with educational improvement, and designed to achieve ongoing and school-wide progress and growth in teaching practice.
Makes this section applicable to plans developed in the 2009-2010 school year and later.
- 26 **Approval process.** Per a recommendation of the Legislative Auditor, directs the commissioner to annually establish three dates as deadlines by which interested Q-Comp applicants must submit an application and requires the department to review a completed application within 30 days of the most recent application deadline.
Makes this section applicable to all applications submitted after the effective date of this section.
- 27 **Alternative compensation rural district application assistance.** Makes districts in the rural equity region eligible for assistance in developing Q-Comp applications with specific compensation program components. Requires the commissioner to provide technical assistance to rural districts or groups of rural districts.
- 28 **Contents of plan.** Requires staff development plans to be consistent with teacher relicensure requirements and to: support stable and productive professional communities; emphasize ongoing job-embedded professional development opportunities; maintain a strong subject matter focus premised on students' learning goals; ensure specialized preparation and learning about teaching students with special needs and limited English proficiency; and reinforce national and state standards of effective practice.
Makes this section applicable to the 2009-2010 school year and later.
- 29 **State-approved alternative learning organization.** Per the recommendations of the Minnesota Department of Education work group, establishes parameters for alternative learning centers, alternative learning programs, and contract alternative programs.
- 30 **State-approved alternative programs and services.** Changes terminology to refer to "state-approved alternative programs" instead of centers in order distinguish particular types of programs.

31 State-approved alternative program funding. Changes terminology related to “state-approved alternative programs” in order distinguish particular types of programs.

32 Background check required. (c) Allows a school hiring authority to pay the costs of conducting a discretionary criminal history background check on school volunteers, independent contractors, and student employees.

Makes this section effective immediately.

33 District-created site-governed schools.

Subd. 1. Authority. (a) Allows a school board to approve site-governed schools by requesting site-governing school proposals from groups of licensed professionals and parents from one or more school districts.

(b) Requires the school board and the collective bargaining unit to agree to a memorandum of understanding for determining the length of the school day and school year, determining work rules, and selecting teachers and other staff for the site.

(c) Requires a school board to approve or disapprove a proposal within 60 days.

(d) For an approved proposal, requires that a district and the site council to enter into an agreement identifying the powers and duties, roles and responsibilities, revenue, and education performance standards to be delegated to the site.

Subd. 2. Roles and responsibilities of site-governed schools. (a) Subject to school board approval, lists the roles and responsibilities of site-governed schools: (1) create site-governing councils; (2) determine the site leadership model; (3) determine the site budget; (4) determine the learning model and school organization; (5) select and develop curriculum and assessments; (6) set various policies related to student promotion, attendance, and discipline, local graduation requirements, and other school board-approved rules related to the school site program; (7) determine the school calendar and employee work rules; (8) select teachers and other staff, consistent with collective bargaining agreements, memoranda of understanding, statutory leave provisions, among other considerations; and (9) comply with other provisions agreed to by the school district and the site-governing council.

(b) To the extent a self-governed school is supervised by a principal, required the principal to be licensed.

Subd. 3. Revenue to self-governed schools. (a) Itemizes revenue allocated to the site.

(b) Allows the school district to retain an agreed-upon administrative fee for management services.

(c) Allows the school district to provide and charge for agreed-upon services to the school site.

(d) Allows the site to carry forward unspent revenue.

Subd. 4. Exemption from statutes and rules. Exempts site-governed schools from the same laws and rules as charter schools, except that site-governed schools are subject to government data practices laws, the open meeting law, PELRA, teacher continuing contract and tenure laws, and teacher prep time and lunch requirements.

Subd. 5. Performance standards. (a) Directs the school board and the site council to agree to performance standards and expectations that include student

achievement targets premised on multiple indicators, criteria and process addressing school sites that fail to meet accountability requirements, and other agreed-upon performance terms.

(b) Requires agreements to be filed with the commissioner. Establishes initial three-year agreements and annual reviews and allows subsequent agreements of up to five years based on school performance.

Subd. 6. Board termination of self-governed school authority. (a) Allows a school board to terminate an agreement for cause.

(b) Allows site-governed schools terminated or not renewed for reasons other than for cause to seek charter school status and to become owners of all resources the school purchased as a site-governed school.

- 34 Contract; duties.** Strikes language requiring the school district superintendent to submit an annual report to the commissioner identifying expenditures needed to ensure that a specified percent of students pass the MCA-IIs.

Makes this section immediately effective and applicable to the 2009-2010 school year and later.

- 35 Temporary closing.** Exempts school district from having to hold a formal public hearing when proposing to temporarily close or lease a school building for up to three years.

- 36 Definitions.** Defines “online course syllabus” for purposes of the online learning law.

- 37 Authorization; notice; limitations on enrollment.** (b) Clarifies procedures for students to enroll in and receive course credit and to meet district graduation requirements for supplemental online learning courses and programs.

(f) Requires the online learning provider to provide or make accessible information about students’ academic progress. Requires the enrolling school district to designate a contact person to facilitate and monitor students’ academic progress.

- 38 Online learning parameters.** (a) Strikes language addressed elsewhere in the online learning law.

(d) and (e) Make enrolling districts that are full-time online learning providers, and also full-time and supplemental online learning providers subject to reporting requirements and review criteria.

- 39 Department of Education.** Strikes language addressed elsewhere in the online learning law. Requires the online learning provider to provide the department with a written statement about its courses and also demonstrate that the substance of the online course syllabus meets nationally recognized professional standards, consistent with the commissioner’s requirements.

- 40 Online learning advisory council.** Causes the council to expire in 2013 instead of 2008. Continues the council without making it subject to section 15.059.

Makes this section retroactively effective.

- 41 Charter schools.**

Subd. 1. Purposes. (a) Includes student achievement in the list of purposes. Makes the list of purposes of charter schools inclusive, rather than an option of the six purposes.

(b) Clarifies that the purpose of charter schools is not to reestablish a school that would otherwise be closed.

Subd. 2a. Charter school advisory council. Strikes language establishing the charter school advisory council.

Subd. 3. Authorizer. (a) Defines “application” both in the context of an eligible authorizer receiving approval to charter a school and the business plan that a school developer submits to an authorizer for approval to form a charter school. Defines “affidavit” both in the context of the written statement that an authorizer submits to the commissioner for approval before chartering a school and the form that an authorizer submits to the commissioner as a precondition for a charter school to establish an affiliated nonprofit building corporation.

(b) Lists the organizations that are eligible to authorize charter schools. Makes ineligible those charitable organizations under the federal tax code that are nonpublic sectarian or religious institutions or their affiliates, and any charitable organizations that for federal tax purposes describe activities indicating a religious purpose. Requires eligible charitable organizations to be incorporated in Minnesota, among other requirements. Allows three single-purpose sponsors and establishes a process to obtain commissioner approval for such sponsors.

(c) Establishes the process by which an eligible authorizer must apply to the commissioner for approval as an authorizer. Lists the criteria for approval that the commissioner must consider.

(d) Lists the required content of an applicant’s affidavit to become an authorizer.

(e) Requires an authorizer to participate in department-approved training.

(f) Establishes a June 30, 2011, deadline by which current authorizers must apply to the commissioner for approval to continue as an authorizer.

(f), (g) Directs the commissioner to review an authorizer’s performance at least once every five years, permit more frequent reviews at the commissioner’s discretion, and subject an authorizer that has not performed satisfactorily to corrective action that may include terminating an authorizer’s eligibility to charter a school. Give an authorizer subject to corrective action 15 business days to request an informal hearing before the commissioner acts.

(h) Allows to commissioner to take corrective action against a authorizer, including terminating a authorizer’s ability to authorize a charter school for: (1) failing to demonstrate the criteria under which the commissioner approved the authorizer; (2) violating a term of the chartering contract; or (3) unsatisfactory performance as an authorizer.

Subd. 4. Formation of school. (a) Allows an authorizer to charter a licensed teacher or a group of individuals that includes at least one licensed teacher to operate a charter school subject to approval by the commissioner.

(b) Requires an authorizer to file a separate affidavit with the commissioner for each school it intends to charter. Establishes a process for approving the affidavit and for

addressing deficiencies in the affidavit. Makes the commissioner's disapproval of an affidavit final.

(c) Allows an authorizer to prevent an approved charter school from opening under certain circumstances.

(d) Requires at least five unrelated parties to serve as members of the initial and the ongoing boards of directors. Clarifies that charter school staff and parents and guardians are the voters eligible to elect the board of directors. Requires the charter school to notify eligible voters of an election.

(e) Makes meeting records and financial information publicly available. Requires a charter school to post information on its official Web site information identifying and providing contact information on its authorizer.

(f) Requires board members to attend department-approved training on specified topics and prevents untrained board members from continuing to serve on the board.

(g) Requires an ongoing board to be elected by the end of the third year. Requires the board of directors to be composed of at least five nonrelated members and include at least one licensed teacher, the parent of a student and an interested community member who is not a school employee or parent. Allows a teacher majority board. Makes the CFO and chief administrator nonvoting board members. Requires school bylaws to establish a process for changing the board's governance model subject to approval from the authorizer and licensed teachers working at the school.

(i) Prohibits an authorizer from acquiring unfair financial gain in its relationship with a charter school.

(j) Outlines the process and timeline for approving a supplemental affidavit.

(k) Clarifies the process by which an authorizer submits a supplemental affidavit to the commissioner for approval. Establishes the timeline by which the commissioner must approve or disapprove a supplemental application under paragraph (k). Makes the commissioner's approval or disapproval of an affidavit final.

Subd. 4a. Conflict of interest. (a) Prohibits an individual with a conflict of interest from serving as a member of a charter school board of directors. Makes a charter school contract voidable at the option of the commissioner or the charter school board of directors if a conflict of interest exists.

(b) Describes the circumstances where a conflict of interest exists.

(c) Makes an individual related to an authorizer who participates in an aspect of the charter school process ineligible to serve as a board member of a school chartered by the authorizer.

Strikes conflict of interest language addressed elsewhere.

Subd. 5. Conversion of existing schools. Clarifies that a board of an independent or special school district may convert its existing school to a charter school.

Subd. 6. Charter contract. Establishes a contracting time line. Lists the substance of 12 terms related to establishing and administering a charter school that must be included in a charter school contract.

Subd. 6a. Audit report. Requires that the charter school submit an audit report to its authorizer as well as to the commissioner.

Subd. 7. Public status; exemption from statutes and rules. Exempts charter schools from all statutes and rules governing school districts unless made specifically

applicable or contained in this section.

Subd. 8. State and local requirements. (b) Requires charter schools to comply with statewide education accountability requirements governing state standards and assessments.

(d) Requires a charter school to release a student from school for religious instruction.

(j) Strikes conflict of interest sections addressed elsewhere in this section.

(l) Makes charter schools subject to state data practices laws and the open meeting law.

(n) Requires that a charter school offering online courses comply with the online learning program statute.

(o) Specifies that a charter school and its board are subject to chapter 181 (Employment).

(p) Subjects charter schools to requirements governing the transfer of education records and the management of local records.

Subd. 8a. Aid reduction. Allows the commissioner to reduce a charter school's state aid for certain violations of law.

Subd. 8b. Aid reductions for violations. Allows the commissioner to reduce a charter school's state aid by an amount not to exceed 60 percent of the charter school's basic revenue for the period of time that the violation occurs.

Subd. 9. Admission requirements. Allows a charter school to limit admission to residents of a specific geographic area when the majority of student's served by the school are members of underserved populations. Requires a charter school to develop and publish a lottery policy and process that it must use when accepting pupils by lot. Clarifies that a charter school is prohibited from establishing criteria or requirements for admission that are inconsistent with the limitations allowed under this subdivision. Prohibits a charter school from distributing any services or goods of value to students, parents, or guardians as an inducement, term, or condition of enrolling a student.

Subd. 11. Employment and other operating matters. (a) Makes a charter school subject to Minnesota's whistle-blowing statute. Requires a charter school to provide a prospective school employee with a written description of the terms and conditions of employment and the school's personnel policies.

(b) Requires the board of directors to establish qualifications for persons that hold administrative, supervisory, or instructional leadership roles. Outlines what the qualifications include. Requires the board of directors and an individual who does not hold a valid administrative license and who serves in an administrative, supervisory, or instruction leadership position to develop a professional development plan and document the plan in the school's annual report.

Subd. 14. Annual public reports. Requires a charter school to prepare and distribute an annual report approved by the charter school board of directors and to post the report on its official Web site.

Subd. 15. Review and comment. (a) Requires an authorizer to submit a formal

charter school evaluation to the commissioner for review and comment before the authorizer charters a school or renews a charter school contract. Directs the department to review and comment upon an authorizer's evaluation process at periodic intervals.

(b), (c), (d) Establish a formula for calculating fees that an authorizer may charge a charter school for evaluating the fiscal, operational, and student performance of the charter school, including for the pre-operational planning period.

(e) Allows the authorizer to assess a charter school a fee equal to the basic formula allowance in the preoperational planning year.

(f) Requires the authorizer to submit a statement of expenditures related to chartering activities each year.

Subd. 17. Leased space. Allows a charter school to lease space from an independent school board eligible to be an authorizer, other public organization, private nonprofit nonsectarian organization, private property owner, or sectarian organization if the leased space is constructed as a school facility. Directs the department to review and approve or disapprove leases in a timely manner.

Subd. 17a. Affiliated nonprofit building corporation. Establishes a process and criteria for a charter school to establish an affiliated nonprofit building corporation to renovate or purchase an existing facility to serve as a school or to construct a new school facility.

Subd. 18. Authority to raise initial working capital. Strikes language allowing a sponsor to authorize a charter school before it secures resources if the authority is needed to raise working capital.

Subd. 19. Disseminate information. (b) Allows authorizers, operators, and the department to disseminate information about successful best practices in teaching and learning demonstrated by charter schools.

Subd. 20. Leave to teach in a charter school. Allows a school district to require that a request for a leave of absence to teach in a charter school be made before February 1 in the school year before the school year in which the teacher intends to leave, or February 1 of the calendar year in which the teacher's leave is scheduled to end. Strikes language directing a teacher on leave to pay both the employer and employee retirement contributions.

Subd. 23. Causes for nonrenewal or termination of charter school contract. (a) Restates the timelines for not renewing or terminating a charter school contract in terms of business days.

(b) Strikes language allowing the commissioner to approve a different sponsor for a charter school where an existing sponsor elects to terminate or not renew the charter school contract.

(c) Allows a change in authorizers if an existing authorizer and a charter school board of directors mutually agree to voluntarily terminate or not renew a charter school contract, subject to approval by the commissioner.

(d) Allows the commissioner to terminate a charter school contract if the charter

school fails to meet performance requirements, engages in financial mismanagement, or violates laws.

(e) Directs the commissioner to provide information to assist a charter school in finding a new authorizer if the commissioner terminates the authorizer's eligibility to charter a school.

Subd. 23a. Related party lease costs. (b) Defines terms related to establishing whether a conflict of interest exists.

Subd. 25. Extent of specific legal authority. Requires a charter school board of directors to submit in a timely manner to its authorizer and the commissioner a copy of its insurance policy and any changes to that policy.

Subd. 26. Definitions. Strikes conflict of interest definitions addressed elsewhere in the section.

(a) For effective dates, makes this section effective immediately and applicable to all contracts and affidavits approved and contracts entered into or modified beginning August 1, 2009, unless otherwise specified.

(b) Makes the "religious purpose" changes governing charitable organizations applicable to charitable organizations seeking approval as authorizers after August 1, 2009, but excepts sponsor/authorizers that have charter schools on that date. Subjects the existing sponsor/authorizers to the new requirement to incorporate in Minnesota beginning July 1, 2011.

(c) Makes changes in subdivision 9 governing admissions requirements effective for the 2010-2011 school year.

- 42 Payment of aids to charter schools.** (a) Strikes language establishing payment periods in the first year of a charter school's operation.
- (b) Establishes requirements for paying and withholding state aid after a charter school ceases to operate.
- (c) Allows the commissioner to withhold aid to satisfy a directive to return federal or state funds.
- (d) Allows the commissioner to withhold aid if a charter school, after receiving an undisputed invoice for goods or services, fails to pay within 75 business days the state of Minnesota, a school district, an intermediate school district, or a service cooperative.
- 43 Commissioner designation.** Makes changes in terminology related to state-approved alternative programs.
- 44 Student planning.** Makes a change in terminology related to state-approved alternative programs.
- 45 Program training.** Removes a requirement that the commissioner provide additional training for evaluating early literacy skills and teaching reading to preschool children.
- Makes this section effective the day following final enactment.
- 46 Minnesota reading corps program.** Establishes a Minnesota Reading Corps program to

provide AmeriCorps members with a data-based problem-solving model of literacy instruction to help train local Head Start program providers, other prekindergarten program providers, and staff in schools with students in kindergarten through grade 3 to evaluate and teach early literacy skills to children age 3 to grade 3. Requires literacy programs under this subdivision to comply with the provisions governing literacy program goals and data use under the Head Start program.

- 47 Eligible pupils.** Removes the requirement that a student be at least one year behind in coursework before being eligible to participate in a state-approved alternative program.
- 48 Eligible programs.** Consistent with changes elsewhere in this bill, refers to a state-approved alternative program instead of alternative learning centers. Under the graduation incentives program, makes a high school junior or senior instead of a pupil between the ages of 16 and 21 eligible to enroll in a post secondary enrollment options course or program.
- 49 Additional eligible program.** Makes a technical change.
- 50 Pupil enrollment.** Consistent with changes elsewhere in this bill, refers to a state-approved alternative program instead of an alternative learning center. Requires a nonresident district to approve the enrollment application of an expelled student who applies to enroll in a graduation incentives program.
- 51 Early childhood family education revenue.** Allows eligible schools to apply to the commissioner for grants to provide early childhood family education programs for American Indian families.
- 52 Use of revenue.** Requires districts to use integration revenue to increase and sustain students' interracial contacts and improve students' educational opportunities and outcomes sufficient to close the academic achievement gap between white and protected students.
- Makes this section effective for the 2010-2011 school year and later.
- 53 Budget approval process.** Requires districts annually by April 1 to submit an integration revenue budget to the commissioner for review and approval by April 30. Requires districts' integration revenue budgets to reflect the statutory uses for the integration revenue.
- Makes this section effective for the 2010-2011 school year and later.
- 54 Plan components.** Requires districts' integration revenue plans to, among other requirements, provide for implementing strategies and programs that enable districts to realize their integration goals and establish valid and reliable longitudinal measures to demonstrate progress in realizing those goals.
- Makes this section effective the 2010-2011 school year and later.
- 55 State schools at Faribault.** Eliminates a cross reference that is repealed relating to a requirement for assessment professionals.
- 56 Learning year pupil units.** Establishes the funding formula for general education revenue pupil units in state-approved alternative programs.
- 57 Project-based average daily membership.** Defines a project-based instructional program

as primarily student-led course work for credit that may be completed onsite, in the community or online and is available to all or only some students and grades in a school. Establishes requirements that schools must meet to receive revenue for students enrolled in a public school in a project-based program.

58 Minnesota P-20 education partnership.

Subd. 1. Establishment; membership. Establishes a P-20 partnership to create a seamless education system that maximizes the achievement of all students from early childhood through postsecondary education and promotes the efficient use of resources. Lists partnership members, which include members of the P-16 Education Partnership and four legislators. Establishes meeting procedures. Requires partnership members to be the leader or designee of their respective organizations and requires partnership members to meet at least three times during each calendar year. Directs the partnership to seek outside expertise.

Subd. 2. Powers and duties. Directs the partnership to recommend to the governor and the legislature how to maximize the achievement of all P-20 students and promote efficient use of resources. Lists examples of recommendations for strategies, policies, and other actions. Directs the partnership to submit an annual report to the legislature and the governor by January 15 that summarizes the partnership's progress and includes any recommendations the partnership has for maximizing student achievement and promoting efficient resource use.

Subd. 3. Expiration. Causes the partnership to be permanent and not expire.

59 May pay differential of reserve on active duty. Clarifies payment of a pay differential for school district employees who are ordered into active military service.

60 Implementing rigorous course work measures related to student performance. Establishes a process for the commissioner and qualified experts and other stakeholders including parents and teachers to develop a model that projects anticipated high school performance on preparation and rigorous coursework measures and compares schools with similar schools. Causes the group to expire June 30, 2011.

Makes this section effective immediately and applicable to school report cards beginning July 1, 2011.

61 Implementing measures for assessing school safety and students' engagement and connection at school. (a) Establishes a process for the commissioner and qualified experts and other stakeholders including parents and teachers to (1) identify highly reliable variables of student engagement and connection and (2) determine how to report student safety to comply with federal law.

(b) Directs the commissioner to submit one report to the legislature in 2010 on the two topics in paragraph (a) and a second, related report in 2013 on the content and analysis of and format for reporting collected data. Causes the group to expire December 31, 2013.

Makes this section effective immediately and applicable to school report cards beginning July 1, 2013.

62 High school assessment system; recommendations. Establishes a college and career-

readiness workgroup headed jointly by MDE and the U of M to evaluate and make recommendations to the commissioner and the legislature on the design of the state high school assessment system, levels of and mechanisms for accountability, postsecondary uses of the assessments and an implementation timeline.

- 63** **Legislative report on districts' use of and need for integration revenue.** Directs the education commissioner to analyze the substance of districts' integration plans and the impact of demographic changes, immigration and housing patterns, and interdistrict integration activities and report to the legislature by February 1, 2011.
- 64** **Reserved revenue for staff development; temporary suspension.** Suspends the two percent staff development set-aside for 2010 and 2011.
- 65** **Innovation school advisory council.** Establishes a nine-member advisory council to advise and make recommendations to the commissioner on site-governed schools, innovation in schools, improving information about fostering innovation, and learning from non-education innovators.
- 66** **Assessment of reading instruction.** (a) Beginning January 1, 2012, directs the Board of Teaching to administer an assessment of reading instruction for prekindergarten and elementary teacher licensure candidates that is part of the exam of licensure-specific teaching skills.
- (b) Directs the Board of Teaching to report to the legislature by March 15, 2011, on the reading instruction assessment.
- Makes this section immediately effective and applicable to teacher licensure candidates beginning January 1, 2012.
- 67** **Appropriations.** See attached fiscal sheet.
- 68** **Repealer.** Repeals sections 120B.362 (directs the commissioner to implement a value-added assessment program), 120B.39 (provides for uniform forms for state exams), 122A.32 (requirements for assessment professionals), 122A.628 (establishes schools-mentoring-schools regional sites), and 122A.75 (establishes an administrators' academy).

Article 3: Special Programs

- 1** **Pupil.** Amends the definition of pupil with a disability under the Pupil Fair Dismissal Act to conform with changes in Minnesota's special education chapter.
- 2** **Suspension.** Strikes language pertaining to students with disabilities that is contained in the definition of suspension under the Pupil Fair Dismissal Act.
- 3** **Exclusion and expulsion of pupils with a disability.** (a) Consistent with federal law and state suspension procedures, allows school personnel to suspend children with disabilities. Establishes parameters and procedures for suspensions of children with disabilities who have been suspended for more than five consecutive school days or ten cumulative school days.
- (b) Counts a dismissal of up to one school day as a day of suspension of children with

disabilities do not receive regular or special education instruction during that time. Does not require notice for a one-day dismissal.

(c) Requires children with disabilities to be provided alternative education services when a suspension exceeds five consecutive school days.

(d) Establishes procedures a school district must follow before initiating an expulsion or exclusion of children with disabilities. Requires school districts to continue to provide special education and related services to children with disabilities who are excluded or expelled for misbehavior that is not a manifestation of their disability.

4 Reimbursement. Corrects an incorrect cross reference.

5 Child with a disability defined.

Subd. 1. Child with a disability. Defines a child with a disability to mean a child identified under federal and state special education law as having a specified disability or impairment who needs special education and related services according to rules of the education commissioner.

Subds. 1a and 2. Requires decisions affecting children's services to be determined based on rules instead of standards.

6 Rulemaking. Directs the commissioner to adopt new rules and amend existing rules related to children with disabilities only under specific authority and consistent with statutory requirements for rule-making. Allows the commissioner to make rules required by federal law.

7 Individualized education programs. (a) Requires school districts to have an individualized education plan for children with disabilities at the start of each school year.

8 Alternative dispute resolution and due process hearings.

Subds. 1, 2, 3. Strike language on school district obligations, prior written notice, and content of the prior written notice that appears elsewhere in this section.

Subd. 3a. Additional requirements for prior written notice. In addition to federal law requirements, also requires that a prior written notice inform parents that (i) unless the parent notifies the district of an objection to a district proposal or refusal for the child's placement or services, the district will pursue its proposal or refusal, and (ii) the parent who objects may request a conciliation conference or other alternative dispute resolution procedure.

Subd. 4. Strikes language regarding a notice that appears elsewhere in this section.

Subd. 7. Conciliation conference. Strikes language stating that the requirement to hold a conciliation conference is satisfied if a parent refuses a school district's effort to conciliate the dispute. Requires a school district to hold a conciliation conference within ten calendar days after a school district receives a parent's objection to a district proposal or refusal for a child's placement or services. Makes

all conciliation conference discussions confidential, unless an exception applies, and inadmissible in a due process hearing. Requires the school district to provide a parent with a conciliation conference memo within five school days after the final conciliation conference.

Subd. 10. Mediated agreements. Strikes existing language on mediated agreements and inserts a requirement that the mediator ensure that any resolution of a dispute or an agreement to use another dispute resolution procedure is in writing and signed by the parties, and each party receives a copy of the document that states that mediation discussions are confidential and may not be used as evidence in a subsequent hearing or proceeding. Makes the resolution or agreement legally binding and enforceable in state and federal court. Allows parties to request another mediation to resolve a dispute over implementing the agreement.

Subd. 12. Impartial due process hearing. Allows the parent and the school district to receive, at state expense, a copy of the hearing transcript or recording and the hearing officer's findings of fact, conclusion of law, and decisions.

Subd. 13. Hearing officer qualifications. Directs the education commissioner to maintain a list of hearing officers with their qualifications. Requires hearing officers to know about special education laws, rules, and decisions and how to conduct hearings and render and write decisions. Directs the commissioner to appoint a hearing officer upon written request.

Subd. 14. Request for a hearing. Strikes existing language.

(a) Allows a parent or school district to file a written request for a due process hearing.

(b) Prescribes the content of the hearing request.

(c) Allows a parent or school district to file a written request for a hearing under federal law.

(d) Requires the parent or school district that files a hearing request to provide a copy of the request to the other party and the department. Requires the department to give the parent a copy of federal procedural safeguards.

(e)(1) Requires a school district, that has not sent a parent a written explanation, to notify the parent within ten days about its decision concerning the action that is the subject of the hearing request. Allows the school district to also assert that the parent's hearing request is insufficient under clause (2).

(2) Precludes holding a hearing until the requesting party meets the requirements of paragraph (b) governing the content of the hearing request. Establishes a process and time line for challenging the sufficiency of the hearing request.

(f) Unless paragraph (e), clause (1), applies, requires the party receiving the hearing request to provide a written response within ten days to the party requesting the hearing.

Subd. 16. Burden of proof. Declares that the burden of proof at a due process

hearing is on the party seeking relief.

Subd. 18. Hearing officer authority. (b) Allows a hearing officer to extend the hearing decision time line for good cause.

(c) Defines as examples of good cause the time required for a settlement discussion or an independent education evaluation, the complexity and volume of issues, and finding or changing counsel.

Subd. 19. Expedited due process hearings. Consistent with federal law, allows a parent or school district to file a written request for a due process hearing, which must be held within 20 school days after the request and for which a decision must be issued within ten school days after the hearing. Requires a resolution meeting to occur within seven days of receiving an expedited due process hearing request unless the parent and school district agree otherwise. Allows the expedited due process hearing to proceed within 15 days of the request unless the matter is resolved.

Subd. 20. Hearing officer's decision; time period. (a) Requires the hearing officer to reach and transmit a final decision in the due process hearing not later than 45 days after the 30-day period or the adjusted time periods under federal law expire. Allows the hearing officer to grant time extensions upon request. Requires the hearing officer to conduct oral arguments at a reasonable time and place. Strikes existing language that is addressed in the new language.

(b) Prohibits the hearing officer from amending a final decision except to make technical corrections.

(c) Clarifies that a hearing officer may order a school district to comply with federal procedural safeguards under IDEA.

Subds. 22, 23. Strike language addressed elsewhere.

Subd. 24. Review of hearing officer decisions. Requires a party appealing a hearing officer's decision to federal court to appeal within 90 days of the decision.

Subd. 25. Enforcement of orders. Requires the commissioner to ensure the enforcement of hearing officer decisions.

Subd. 27. Hearing officer training. Requires a hearing officer to participate in training offered by the commissioner.

Subd. 28. District liability. Declares that a school district is not liable for technical violations under federal or state special education laws or rules. Makes this subdivision applicable to due process hearings and special education complaints filed with the department.

9 **Restrictive procedures for children with disabilities.** Causes the use of restrictive procedures for children with disabilities to be governed by the statutory definitions in the following two sections.

Makes this section effective July 1, 2011.

10 **Definitions.** Defines the following terms in the context of using restrictive procedures for children with disabilities: emergency, physical holding, positive behavioral interventions

and supports, restrictive procedures, and seclusion.
Makes this section effective July 1, 2011.

11

Standards for restrictive procedures.

Subd. 1. Restrictive procedures plan. (a) Requires schools to have a publicly accessible plan for using restrictive procedures with children with disabilities.

Subd. 2. Restrictive procedures. (a) Allows only qualified and trained professionals to use restrictive procedures.

(b) Requires school districts to make reasonable efforts to notify parents on the day restrictive procedures are used or, if the district is unable to provide same-day notice, to send an electronic or written notice within two days or as otherwise indicated by the child's parent.

(c) Requires school districts to hold an individualized education plan team meeting when restrictive procedures are used twice in a 30-day period or a pattern or use emerges and restrictive procedures are not part of the child's individualized education program. Requires the team to review and document limitations and prohibitions on using restrictive procedures.

(d) Allows an individualized education plan team to plan for using restrictive procedures in response to behavior that constitutes an emergency.

Subd. 3. Physical holding or seclusion. Allows physical holding or seclusion to be used only in an emergency and if certain requirements are met: it is the least intrusive effective intervention; it ends when the threat of harm ends and staff determines that the child can return safely to the classroom or activity; staff directly observes the child during the holding or seclusion; the participating staff person documents the procedure; room specifications are met and the room meets applicable local building, fire, and safety codes and is registered with and available to be viewed by the commissioner.

Subd. 4. Prohibitions. Lists prohibited actions and procedures, including: corporal punishment; requiring a painful physical position, activity or posture; restricting a child's senses; presenting intense stimuli; denying or restricting access to equipment or devices except in cases of injury or serious damage; sexual abuse, neglect and physical abuse; withholding meals or water; denying bathroom access; and restricting or impairing a child's breathing.

Subd. 5. Staff training. (a) Requires staff using restrictive procedures to complete specified training in the use of those procedures.

(b) Directs the education commissioner, after consulting with the human services commissioner, to develop and maintain a list of recommended training programs. Requires school districts to maintain records on staff training. Allows school districts to coordinate training opportunities with children's community mental health providers.

Subd. 6. Behavior supports. Encourages school districts to establish effective school-wide systems of positive behavior interventions and supports. Declares that nothing in this section precludes the use of reasonable force.

Makes this section effective August 1, 2011.

- 12 Placement in another district; responsibility.** (b) Requires a nonresident district that places a pupil in a care and treatment facility to notify the resident district of the placement and to give the resident district an opportunity to participate in the placement decision. Requires the nonresident district to notify the resident district within 15 days of an emergency placement. Gives the resident district five business days to request an opportunity to participate in the emergency placement decision.
(c) Allows a resident district to establish reasonable restrictions for transporting a child placed at a day care and treatment facility, subject to a court or agency order. Makes this section effective immediately.
- 13 State interagency coordinating council.** Causes the council to expire on June 30, 2014.
- 14 Placement of a child without disabilities; education and transportation.** (c) Requires a nonresident district to notify the resident district within 15 days of an emergency placement. Gives the resident district five business days to request an opportunity to participate in the emergency placement decision.
(d) Allows a resident district to establish reasonable restrictions for transporting a child placed at a day care and treatment facility, subject to a court or agency order. Makes this section effective immediately.
- 15 Assistive technology device.** Amends the definition of “assistive technology device” to exclude a surgically implanted medical device or a replacement of that device.
Makes this section effective immediately.
- 16 Programs.** Clarifies the authority for the resource centers for the deaf and hard of hearing to offer training programs.
- 17 Advisory committees.** Directs the advisory committee for the Resource Center for the Deaf and Hard of Hearing to meet at least quarterly and submit an annual report to the commissioner, the legislature, and the Commission on Deaf, DeafBlind and Hard of Hearing Minnesotans that includes recommendations on aggregate data-based outcomes over time for deaf and hard-of-hearing children, consistent with state academic standards and assessments and a data-based plan that includes evidence-based best practices known to improve the educational outcomes of deaf and hard-of-hearing children.
- 18 Implementation.** Increases the cap instituted on administrative costs retained by the Department of Human Services for school district medical assistance service claims from \$350,000 to \$450,000.
- 19 Definitions.** Excludes administrators and supervisors from the definition of “essential personnel” for computing basic special education revenue for children with disabilities.
- 20 Notification of resident district.** Aligns state law with federal requirements regarding notification of a student’s resident district.
- 21 Appropriations.** See attached fiscal sheet.
- 22 Repealer.** (a) Repeals section 125A.05 (method of special instruction).
(b) Repeals special education rules (Minnesota Rules, parts 3525.0210, subparts 34 and 43; 3525.0400; 3525.2445; and 3525.4420), effective immediately.

(c) Repeals sections 121A.66 and 121A.67, subdivision 1 (aversive and deprivation definitions and procedures), effective August 1, 2011.

(d) Repeals rules governing aversive and deprivation definitions and procedures (Minnesota Rules, parts 3525.0210, subparts 5, 6, 9, 13, 17, 29, 30, 46, and 47; 3525.1100, subpart 2, item F; and 3525.2900, subpart 5), effective August 1, 2011.

Article 4: Facilities and Technology

- 1 **Debt service appropriation.** Sets the statutory appropriations for fiscal year 2012 and 2013 for payment of debt service equalization aid.
- 2 **Health and safety program.** Removes some obsolete references.
- 3 **Facility plan.** Eliminates the requirement for a district to submit a separate five year facility plan to the commissioner of education prior to receiving alternative facilities revenue.
- 4 **Bond authorization.** Eliminates the requirement that a district publish the commissioner's review and comment as a part of the notice preceding the sale of alternative facilities bonds.
- 5 **Levy authorization.** Eliminates the requirement that a district publish the commissioner's review and comment as a part of the notice prior to the district levying for alternative facilities projects.
- 6 **Commissioner approval.** Clarifies that the commissioner may not impose a minimum acreage requirement on a new school facility's site, or the site of a remodeled school facility. Clarifies that the commissioner may not impose a maximum cap on the total renovation costs of a remodeled facility as compared to the cost of new construction.
- 7 **Consultation.** Increases the threshold from \$250,000 to \$500,000 of a project's estimated cost that requires a district to consult with the commissioner.
- 8 **Review and comment.** Raises the cap on school construction projects that are subject to review and comment by the commissioner of education from \$500,000 to \$1.4 million for all school districts except those with outstanding capital loans.
- 9 **Information required.** Expands the list of information that must be submitted to the commissioner of education as a part of the review and comment process to include a description of pedestrian, bicycle and transit connections between the school and nearby residential areas. Requires the review and comment to include a description of how the facility will maximize the opportunity for cooperative uses of existing parks, recreation and other public facilities. Requires the review and comment to provide information about the cumulative infrastructure costs (e.g. utilities, water and sewer, roads and sidewalks) associated with a proposed facility.
- 10 **Publication.** Requires a school board to publish a summary, instead of the commissioner's full review and comment in a local newspaper. Eliminates the requirement for the information from the commissioner's review and comment to be included in the alternative

facilities project notices that must be published prior to bond sale.

- 11 Telecommunications/Internet access equity aid.** Authorizes intermediate school districts to receive telecommunications/Internet access equity aid.
- 12 Appropriations.** Appropriates money for facilities and technology programs.

Article 5: Libraries, Nutrition, and Accounting

- 1 Budgets; form of notification.** Directs a school board to publish a summary of its truth in taxation information and the address of the school district's official Web site in a qualified newspaper of general circulation in the district.
- 2 Clerk records.** Changes from August 15 to September 15 the date by which the clerk files school district financial reports with the school board and transmits a certified financial report to the commissioner. Requires the clerk to provide the county auditor by September 30 instead of October 10 an attested copy of the clerk's record showing the amount of proposed property tax for school purposes.
- 3 Account transfer for designated separation and retirement benefits.** Combines two reserve accounts into a single account that is designated for separation and retirement benefits. Removes the limit that the account balance may not exceed 50 percent of the total obligations.
- 4 Debt verification.** Strikes obsolete language.
- 5 Debt elimination.** Clarifies a cross-reference.
- 6 Certification of debt.** Strikes obsolete language.
- 7 Service to people with visual and physical disabilities.** Directs the department to provide services to people with visual and physical disabilities through the Minnesota Braille and Talking Book Library.
- 8 Telephone or electronic meetings.** Allows the advisory committee for Minnesota Braille and Talking Book Library to conduct committee meetings by telephone or other electronic means if certain conditions are met.
- 9 Local support levels; library maintenance of effort.** (a) Sets the regional library basic system support grant to be the average of the adjusted net tax capacity for the second, third, and fourth years preceding the current year.
- (b) Sets a minimum level of support, requires the department of education to certify the minimum level of support to the city or county if the minimum is revised.
- Makes this section effective for calendar years 2009 and later; makes paragraph (a) effective for calendar years 2011 and later.
- 10 Limitation; library maintenance of effort.** Defines a minimum level for regional library basic system support, defines the calculations for allowable reductions in local library

support levels, sets absolute minimum levels of support and defines the revenue base.

Makes this section effective for support in calendar year 2009 and later and for library grants paid in fiscal year 2010 and later.

- 11 Capital account transfers.** Extends the one-year authority for school districts to transfer up to \$51 per pupil unit per year from the reserved for operating capital account to the unreserved general fund balance for another two years.

Makes this section effective immediately.

- 12 Fund transfers.**

Subd. 1. Lac Qui Parle Valley. Authorizes Independent School District No. 2853, Lac Qui Parle Valley, to transfer up to \$221,000 from its debt redemption fund to its reserved for operating capital account without making a levy reduction.

Subd. 2. Mankato. Authorizes Independent School District No. 55, Mankato, to transfer up to \$250,000 from its debt redemption fund to its undesignated general fund balance without making a levy reduction.

Subd. 3. Ortonville. Authorizes Independent School District No. 62, Ortonville, to transfer up to \$200,000 from its debt redemption fund to its reserved for operating capital account without making a levy reduction.

Subd. 4. St. Anthony-New Brighton. Authorizes Independent School District No. 282, St. Anthony-New Brighton, to transfer up to \$400,000 from its reserved for operating capital account to its undesignated general fund balance without making a levy reduction.

Makes this section effective the day following final enactment.

- 13 Appropriations.** This section appropriates money for school nutrition programs including school lunch, school breakfast, kindergarten milk, and summer school food service replacement aid, public libraries, including funds for regional library basic support grants, multicounty multitype library systems, the electronic library licenses, and regional library telecommunications aids.

Article 6: Self-Sufficiency and Lifelong Learning

- 1 Distribution of appropriation.** Amends § 119A.52. Specifies that the state average federal cost per child for Early Head Start applies for all agencies without a federal Early Head Start rate. Exempts programs with approved innovative initiatives that target services to high-risk populations, including homeless families and families living in homeless shelters and transitional housing, from meeting certain enrollment procedures.
- 2 Program data submission requirements.** Amends § 124D.13, subd. 13. Removes a requirement that ECFE programs submit a biennial plan to the Department of Education. Removes a requirement that ECFE programs submit annual program data to the Department of Education before it may certify a levy.

- 3 Early childhood family education levy.** Amends § 124D.135, subd. 3. Removes a requirement that districts meet annual program data and reporting requirements before certifying an ECFE levy.
- 4 Quality rating and improvement system.** Creates § 124D.142. Establishes a voluntary, standards-based quality rating and improvement system for early learning and care programs. Requires the state to consider the cost of administering and staffing the system and collecting evaluation and assessment data when establishing the system. Requires the state to use the Parent Aware quality rating tool prior to the creation of the voluntary statewide quality rating and improvement system. Makes this section effective July 1, 2009.
- 5 Program requirements.** Amends § 124D.15, subd. 3. Modifies school readiness program requirements by modifying requirements related to assessments and comprehensive program content and adding requirements related to coordinating appropriate kindergarten transition with parents and kindergarten teachers and ensuring specified staff-child ratios.
- 6 Youth service programs.** Amends § 124D.19, subd. 10. Removes a requirement that the commissioner maintain a list of acceptable projects with a description of each project. Removes a requirement that projects not on the list be approved by the commissioner.
- 7 Community education; annual report.** Amends § 124D.19, subd. 14. Modifies the information districts must include in their annual community education program reports by removing requirements to include information regarding the cost per participant and cost per contact hour. Removes a requirement that the Department of Education include this same information in their annual community education report.
- 8 Adult basic education supplemental service grants.** Amends § 124D.522. Modifies the maximum grant amount a single organization can receive.
- 9 Other duties.** Strikes language requiring the public safety commissioner to provide information upon request to school and community advisory teams.
- 10 Early learning study.** Requires that the Departments of Human Services and Education to study and report to the legislature how to effectively transition certain programs from the Department of Human Services to the Department of Education and how to create an early learning system with one set of standards.
- 11 Repealer.** Repeals section 121A.27 (school and community advisory team).
- 12 Appropriations.** Appropriates money in fiscal years 2010 and 2011 for ECFE, school readiness, health and developmental screening, Head Start, educate parents partnership, and the kindergarten entrance assessment. Adult basic education programs, GED tests, community education aid, adults with disabilities program aid, hearing impaired adults, and school-age care revenue. See spreadsheet for details.

Article 7: State Agencies

- 1** **Grants and gifts.** Allows the Board of the State Academies to apply for and receive grants and gifts from public and nonpublic sources. Appropriates and dedicates the money the Board of the State Academies receives, consistent with the purpose of the grant or gift. Directs the Board of the State Academies to report annually to the legislature on the amount of money received under this subdivision and the purpose for which it was used.
- 2** **Grants and gifts.** Allows the commissioner to apply for and receive grants and gifts from public and nonpublic sources. Appropriates and dedicates the money the commissioner receives, consistent with the purpose of the grant or gift. Directs the commissioner to report annually to the legislature on the amount of money received under this subdivision and the purpose for which it was used.
- 3** **Appropriations; Department of Education.** Appropriates \$20.943 million each year to the Department of Education for agency operations. Includes the following riders:
- \$41,000 per year for the Minnesota Academy of Science;
 - \$632,000 per year for the Board of Teaching plus an additional \$30,000 per year for the board’s licensure by portfolio activities;
 - \$171,000 per year for the Board of Administrators;
 - \$260,000 per year for the Minnesota Children’s Museum;
 - \$50,000 per year for the Duluth Children’s Museum;
 - \$40,000 per year for an early hearing loss intervention coordinator;
- prohibits any of the agency’s budget to be used for a Washington D.C. office; and
 - facilitates the acceptance of federal funds.
- 4** **Appropriations; Minnesota State Academies.** Appropriates \$11.912 million per year for the operation of the Minnesota State Academies for the Deaf and the Blind.
- 5** **Appropriations; Perpich Center for Arts Education.** Appropriates \$7.087 million per year for the operation of the Perpich Center for Arts Education.

Article 8: Pupil Transportation

- 1** **Definitions.** Corrects a reference to type III buses.
- 2** **School bus.** Increases the maximum vehicle weight of a type A-1 school bus (these are the short, stubby school buses) from 10,000 to 14,500 pounds. Defines multifunction school activity bus.

- 3 Personal cellular phone call prohibition.** Clarifies a cross-reference.
- 4 National standards adopted.** Clarifies the terminology involved when referring to multifunction school activity buses.
- 5 Seat and crash barriers.** Requires new school buses purchased after October 21, 2009, to conform to the higher seat back requirements specified in federal law (raising the seatback height to 24 inches).
- 6 Tailpipe.** Allows the tailpipe to exit a school bus on either the passenger or driver side of the vehicle.

Limits the exemption only through January 1, 2012.
- 7 Exemption.** Clarifies a cross-reference.
- 8 School bus.** Clarifies a cross-reference.
- 9 Commercial motor vehicle.** Clarifies a cross-reference.
- 10 Driver's license classifications; endorsements; exemptions.** Clarifies the terminology involved when referring to multifunction school activity buses and conforms the type A-1 weight limits to the amounts specified in section 3. Makes technical changes to centralize requirements for operating type A-1 and multifunction school activity buses without a school bus endorsement.
- 11 Exception for certain school bus drivers.** Regulates multifunction school activity buses when operated without a school bus endorsement, establishing the same requirements that apply to type A-1 school buses operated without the school bus endorsement. Clarifies a cross-reference, and recodes the type A-1 and multifunction school activity bus weight limit and limit of 15 passengers or less.
- 12 Endorsement.** Clarifies the circumstances under which a person can drive a school bus without a school bus endorsement.
- 13 Training.** Moves a requirement (to a subdivision on training) that a school district, nonpublic school, or a private bus contractor provide annual in-service training to each school bus driver.
- 14 Annual evaluation and license verification.** Extends the time for the annual evaluation and license verification by 15 days to accommodate the shifting start days in Minnesota's school year. Makes technical changes.

Article 9: Forecast Adjustments

Overview

Adjusts previous years' appropriations amounts to match the February 2009 Forecast amounts.

Article 10: Technical Corrections

- 1 **Equity revenue.** Removes an obsolete cross-reference to a revenue source that no longer exists.
- 2 **Education records.** Corrects a cross-reference.