

1.1 Senator moves to amend S.F. No. 1222 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 2016, section 120A.22, is amended by adding a subdivision
1.6 to read:

1.7 Subd. 14. **Attending courses at a nonpublic school.** (a) A 9th, 10th, 11th, or 12th grade
1.8 student enrolled in a public school may attend courses at a nonpublic school as defined in
1.9 subdivision 4 at the student's expense for up to one-third of the minimum hours required
1.10 under section 120A.41.

1.11 (b) A district or school may grant academic credit to a pupil attending a nonsectarian
1.12 course at a nonpublic school for secondary credit pursuant to this subdivision if the pupil
1.13 successfully completes the course.

1.14 (c) The secondary credits granted to a pupil may be counted toward the graduation
1.15 requirements and subject area requirements of the school or district. Evidence of successful
1.16 completion of each course and secondary credits granted may be included in the pupil's
1.17 secondary school record. A pupil shall provide the school with a copy of the pupil's grade
1.18 in each course taken for secondary credit under this subdivision.

1.19 (d) Written notice of attendance in a course at a nonpublic school under this subdivision
1.20 must be provided to the pupil's school or district no later than 60 days before the first day
1.21 of the nonpublic school course.

1.22 (e) A pupil attending a course under this subdivision is ineligible for nonpublic pupil
1.23 aid under section 123B.42. A pupil attending a course under this subdivision shall continue
1.24 to generate average daily membership for the enrolling public school.

1.25 (f) Students who enroll in a course pursuant to this subdivision shall lose no rights,
1.26 privileges, or access to services from the district.

1.27 Sec. 2. Minnesota Statutes 2016, section 121A.22, subdivision 2, is amended to read:

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

1.30 (1) purchased without a prescription;

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

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

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

(5) used off the school grounds;

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

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

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

(9) prescription asthma or reactive airway disease medications self-administered by a pupil with an asthma inhaler, consistent with section 121A.221, if the district has received a written authorization from the pupil's parent permitting the pupil to self-administer the medication, the inhaler is properly labeled for that student, and the parent has not requested school personnel to administer the medication to the pupil. The parent must submit written authorization for the pupil to self-administer the medication each school year; or

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

Sec. 3. Minnesota Statutes 2016, section 121A.221, is amended to read:

121A.221 POSSESSION AND USE OF ASTHMA INHALERS BY ASTHMATIC STUDENTS.

(a) Consistent with section 121A.22, subdivision 2, clause (9), in a school district that employs a school nurse or provides school nursing services under another arrangement, the school nurse or other appropriate party must assess the student's knowledge and skills to safely possess and use an asthma inhaler in a school setting and enter into the student's school health record a plan to implement safe possession and use of asthma inhalers.

(b) Consistent with section 121A.22, subdivision 2, clause (9), in a school that does not have a school nurse or school nursing services, the student's parent or guardian must submit written verification from the prescribing professional that documents an assessment of the

3.1 student's knowledge and skills to safely possess and use an asthma inhaler in a school setting
3.2 has been completed.

3.3 Sec. 4. Minnesota Statutes 2016, section 123B.52, subdivision 1, is amended to read:

3.4 Subdivision 1. **Contracts.** A contract for work or labor, or for the purchase of furniture,
3.5 fixtures, or other property, except books registered under the copyright laws and information
3.6 systems software, or for the construction or repair of school houses, the estimated cost or
3.7 value of which shall exceed that specified in section 471.345, subdivision 3, must not be
3.8 made by the school board without first advertising for bids or proposals by two weeks'
3.9 published notice in the official newspaper. This notice must state the time and place of
3.10 receiving bids and contain a brief description of the subject matter.

3.11 Additional publication in the official newspaper or elsewhere may be made as the board
3.12 shall deem necessary.

3.13 After taking into consideration conformity with the specifications, terms of delivery,
3.14 and other conditions imposed in the call for bids, every such contract for which a call for
3.15 bids has been issued must be awarded to the lowest responsible bidder, be duly executed
3.16 in writing, and be otherwise conditioned as required by law. The person to whom the contract
3.17 is awarded shall give a sufficient bond to the board for its faithful performance.

3.18 Notwithstanding section 574.26 or any other law to the contrary, on a contract limited to
3.19 the purchase of a finished tangible product, a board may require, at its discretion, a
3.20 performance bond of a contractor in the amount the board considers necessary. A record
3.21 must be kept of all bids, with names of bidders and amount of bids, and with the successful
3.22 bid indicated thereon. A bid containing an alteration or erasure of any price contained in
3.23 the bid which is used in determining the lowest responsible bid must be rejected unless the
3.24 alteration or erasure is corrected as provided in this section. An alteration or erasure may
3.25 be crossed out and the correction thereof printed in ink or typewritten adjacent thereto and
3.26 initialed in ink by the person signing the bid. In the case of identical low bids from two or
3.27 more bidders, the board may, at its discretion, utilize negotiated procurement methods with
3.28 the tied low bidders for that particular transaction, so long as the price paid does not exceed
3.29 the low tied bid price. In the case where only a single bid is received, the board may, at its
3.30 discretion, negotiate a mutually agreeable contract with the bidder so long as the price paid
3.31 does not exceed the original bid. If no satisfactory bid is received, the board may readvertise.
3.32 Standard requirement price contracts established for supplies or services to be purchased
3.33 by the district must be established by competitive bids. Such standard requirement price
3.34 contracts may contain escalation clauses and may provide for a negotiated price increase

or decrease based upon a demonstrable industrywide or regional increase or decrease in the vendor's costs. Either party to the contract may request that the other party demonstrate such increase or decrease. The term of such contracts must not exceed two years with an option on the part of the district to renew for an additional two years, except as provided in subdivision 7. Contracts for the purchase of perishable food items, except milk for school lunches and vocational training programs, in any amount may be made by direct negotiation by obtaining two or more written quotations for the purchase or sale, when possible, without advertising for bids or otherwise complying with the requirements of this section or section 471.345, subdivision 3. All quotations obtained shall be kept on file for a period of at least one year after receipt.

Every contract made without compliance with the provisions of this section shall be void. Except in the case of the destruction of buildings or injury thereto, where the public interest would suffer by delay, contracts for repairs may be made without advertising for bids.

EFFECTIVE DATE. This section is effective for contracts entered into on or after July 1, 2017.

Sec. 5. Minnesota Statutes 2016, section 123B.52, is amended by adding a subdivision to read:

Subd. 7. **Food service contracts.** A contract between a school board and a food service management company that complies with Code of Federal Regulations, title 7, section 210.16, may be renewed annually after its initial term for not more than four additional years.

EFFECTIVE DATE. This section is effective for contracts entered into on or after July 1, 2017.

Sec. 6. **[123B.651] ENERGY USE REDUCTION AND REPORTING FOR PUBLIC SCHOOLS.**

Beginning October 1, 2017, each public school or school district reporting on behalf of a public school must enter and maintain monthly utility consumption data into the Minnesota B3 benchmarking program for all buildings under its custodial control.

Sec. 7. Minnesota Statutes 2016, section 123B.92, subdivision 1, is amended to read:

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

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

(1) the sum of:

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

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

(iii) an amount equal to one year's depreciation on the district's type III vehicles, as defined in section 169.011, subdivision 71, which must be used a majority of the time for pupil transportation purposes, computed on a straight line basis at the rate of 20 percent per year of the cost of the type three school buses by:

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

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

(1) Regular transportation is:

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

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

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

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

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

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

(2) Excess transportation is:

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

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

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

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

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

(ii) necessary transportation of pupils with disabilities from home or from school to other buildings, including centers such as developmental achievement centers, hospitals, and treatment centers where special instruction or services required by sections 125A.03 to

125A.24, 125A.26 to 125A.48, and 125A.65 are provided, within or outside the district where services are provided;

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

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

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

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

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

(viii) services described in clauses (i) to (vii), when provided for pupils with disabilities in conjunction with a summer instructional program that relates to the pupil's individualized education program or in conjunction with a learning year program established under section 124D.128.

For purposes of computing special education initial aid under section 125A.76, the cost of providing transportation for children with disabilities includes (A) the additional cost of transporting a student in a shelter care facility as defined in section 260C.007, subdivision 30, a homeless student ~~from a temporary nonshelter home~~ in another district to the school of origin, or a formerly homeless student from a permanent home in another district to the school of origin but only through the end of the academic year; and (B) depreciation on district-owned school buses purchased after July 1, 2005, and used primarily for transportation of pupils with disabilities, calculated according to paragraph (a), clauses (ii) and (iii). Depreciation costs included in the disabled transportation category must be excluded in calculating the actual expenditure per pupil transported in the regular and excess transportation categories according to paragraph (a). For purposes of subitem (A), a school district may transport a child who does not have a school of origin to the same school attended by that child's sibling, if the siblings are homeless or in a shelter care facility.

(5) "Nonpublic nonregular transportation" is:

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

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

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

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

EFFECTIVE DATE. This section is effective retroactively from December 10, 2016.

Sec. 8. Minnesota Statutes 2016, section 126C.17, subdivision 9, is amended to read:

Subd. 9. **Referendum revenue.** (a) The revenue authorized by section 126C.10, subdivision 1, may be increased in the amount approved by the voters of the district at a referendum called for the purpose. The referendum may be called by the board. The referendum must be conducted one or two calendar years before the increased levy authority, if approved, first becomes payable. Only one election to approve an increase may be held in a calendar year. Unless the referendum is conducted by mail under subdivision 11, paragraph (a), the referendum must be held on the first Tuesday after the first Monday in November. The ballot must state the maximum amount of the increased revenue per adjusted pupil unit. The ballot may state a schedule, determined by the board, of increased revenue per adjusted pupil unit that differs from year to year over the number of years for which the increased revenue is authorized or may state that the amount shall increase annually by the rate of inflation. For this purpose, the rate of inflation shall be the annual inflationary increase calculated under subdivision 2, paragraph (b). The ballot may state that existing referendum levy authority is expiring. In this case, the ballot may also compare the proposed levy authority to the existing expiring levy authority, and express the proposed increase as the amount, if any, over the expiring referendum levy authority. The ballot must designate the specific number of years, not to exceed ten, for which the referendum authorization applies. The ballot, including a ballot on the question to revoke or reduce the increased revenue

amount under paragraph (c), must abbreviate the term "per adjusted pupil unit" as "per pupil." The notice required under section 275.60 may be modified to read, in cases of renewing existing levies at the same amount per pupil as in the previous year:

"BY VOTING "YES" ON THIS BALLOT QUESTION, YOU ARE VOTING TO EXTEND AN EXISTING PROPERTY TAX REFERENDUM THAT IS SCHEDULED TO EXPIRE."

The ballot may contain a textual portion with the information required in this subdivision and a question stating substantially the following:

"Shall the increase in the revenue proposed by (petition to) the board of, School District No. ..., be approved?"

If approved, an amount equal to the approved revenue per adjusted pupil unit times the adjusted pupil units for the school year beginning in the year after the levy is certified shall be authorized for certification for the number of years approved, if applicable, or until revoked or reduced by the voters of the district at a subsequent referendum.

(b) The board must ~~prepare and~~ deliver by first-class mail at least 15 days but no more than 30 days before the day of the referendum to each taxpayer a notice of the referendum and the proposed revenue increase. The board need not mail more than one notice to any taxpayer. For the purpose of giving mailed notice under this subdivision, owners must be those shown to be owners on the records of the county auditor or, in any county where tax statements are mailed by the county treasurer, on the records of the county treasurer. Every property owner whose name does not appear on the records of the county auditor or the county treasurer is deemed to have waived this mailed notice unless the owner has requested in writing that the county auditor or county treasurer, as the case may be, include the name on the records for this purpose. The notice must project the anticipated amount of tax increase in annual dollars for typical residential homesteads, agricultural homesteads, apartments, and commercial-industrial property within the school district.

The notice for a referendum may state that an existing referendum levy is expiring and project the anticipated amount of increase over the existing referendum levy in the first year, if any, in annual dollars for typical residential homesteads, agricultural homesteads, apartments, and commercial-industrial property within the district.

The notice must include the following statement: "Passage of this referendum will result in an increase in your property taxes." However, in cases of renewing existing levies, the notice may include the following statement: "Passage of this referendum extends an existing operating referendum at the same amount per pupil as in the previous year."

(c) A referendum on the question of revoking or reducing the increased revenue amount authorized pursuant to paragraph (a) may be called by the board. A referendum to revoke or reduce the revenue amount must state the amount per adjusted pupil unit by which the authority is to be reduced. Revenue authority approved by the voters of the district pursuant to paragraph (a) must be available to the school district at least once before it is subject to a referendum on its revocation or reduction for subsequent years. Only one revocation or reduction referendum may be held to revoke or reduce referendum revenue for any specific year and for years thereafter.

(d) The approval of 50 percent plus one of those voting on the question is required to pass a referendum authorized by this subdivision.

(e) At least 15 days before the day of the referendum, the district must submit a copy of the notice required under paragraph (b) to the commissioner and to the county auditor of each county in which the district is located. Within 15 days after the results of the referendum have been certified by the board, or in the case of a recount, the certification of the results of the recount by the canvassing board, the district must notify the commissioner of the results of the referendum.

EFFECTIVE DATE. This section is effective August 1, 2017.

Sec. 9. Minnesota Statutes 2016, section 127A.45, subdivision 10, is amended to read:

Subd. 10. **Payments to school nonoperating funds.** Each fiscal year state general fund payments for a district nonoperating fund must be made at the current year aid payment percentage of the estimated entitlement during the fiscal year of the entitlement. This amount shall be paid in ~~12~~ six equal monthly installments from July through December. The amount of the actual entitlement, after adjustment for actual data, minus the payments made during the fiscal year of the entitlement must be paid prior to October 31 of the following school year. The commissioner may make advance payments of debt service equalization aid and state-paid tax credits for a district's debt service fund earlier than would occur under the preceding schedule if the district submits evidence showing a serious cash flow problem in the fund. The commissioner may make earlier payments during the year and, if necessary, increase the percent of the entitlement paid to reduce the cash flow problem.

Sec. 10. **REPEALER.**

Minnesota Statutes 2016, section 124D.73, subdivision 2, is repealed.

ARTICLE 2

EDUCATION EXCELLENCE

Section 1. Minnesota Statutes 2016, section 120B.021, subdivision 1, is amended to read:

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

(1) language arts;

(2) mathematics;

(3) science;

(4) social studies, including history, geography, economics, and government and citizenship that includes civics consistent with section 120B.02, subdivision 3;

(5) physical education;

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

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

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

(c) Beginning in the 2016-2017 school year, the department must adopt the most recent ~~National Association of Sport and Physical Education~~ SHAPE America (Society of Health and Physical Educators) kindergarten through grade 12 standards and benchmarks for physical education as the required physical education academic standards. The department may modify and adapt the national standards to accommodate state interest. The modification and adaptations must maintain the purpose and integrity of the national standards. The department must make available sample assessments, which school districts may use as an alternative to local assessments, to assess students' mastery of the physical education standards beginning in the 2018-2019 school year.

(d) District efforts to develop, implement, or improve instruction or curriculum as a result of the provisions of this section must be consistent with sections 120B.10, 120B.11, and 120B.20.

EFFECTIVE DATE. This section is effective the day following final enactment and is retroactive to July 1, 2016.

Sec. 2. Minnesota Statutes 2016, section 120B.021, subdivision 3, is amended to read:

Subd. 3. **Rulemaking.** The commissioner, consistent with the requirements of this section and section 120B.022, must adopt statewide rules under section 14.389 for implementing statewide rigorous core academic standards in language arts, mathematics, science, social studies, physical education, and the arts. After the rules authorized under this subdivision are initially adopted, the commissioner may not amend or repeal these rules nor adopt new rules on the same topic without specific legislative authorization. ~~The academic standards for language arts, mathematics, and the arts must be implemented for all students beginning in the 2003-2004 school year. The academic standards for science and social studies must be implemented for all students beginning in the 2005-2006 school year.~~

Sec. 3. Minnesota Statutes 2016, section 120B.022, subdivision 1b, is amended to read:

Subd. 1b. **State bilingual and multilingual seals.** (a) Consistent with efforts to strive for the world's best workforce under sections 120B.11 and 124E.03, subdivision 2, paragraph (i), and close the academic achievement and opportunity gap under sections 124D.861 and 124D.862, voluntary state bilingual and multilingual seals are established to recognize high school students in any Minnesota public, charter, or nonpublic school who demonstrate an advanced-low level or an intermediate high level of functional proficiency in listening, speaking, reading, and writing on either assessments aligned with American Council on the Teaching of Foreign Languages' (ACTFL) proficiency guidelines or on equivalent valid and reliable assessments in one or more languages in addition to English. American Sign Language is a language other than English for purposes of this subdivision and a world language for purposes of subdivision 1a.

(b) In addition to paragraph (a), to be eligible to receive a seal:

(1) students must satisfactorily complete all required English language arts credits; and

(2) students must demonstrate mastery of Minnesota's English language proficiency standards.

(c) Consistent with this subdivision, a high school student who demonstrates an intermediate high ACTFL level of functional proficiency in one language in addition to English is eligible to receive the state bilingual gold seal. A high school student who demonstrates an intermediate high ACTFL level of functional native proficiency in more than one language in addition to English is eligible to receive the state multilingual gold seal. A high school student who demonstrates an advanced-low ACTFL level of functional proficiency in one language in addition to English is eligible to receive the state bilingual platinum seal. A high school student who demonstrates an advanced-low ACTFL level of functional proficiency in more than one language in addition to English is eligible to receive the state multilingual platinum seal.

(d) School districts and charter schools may give students periodic opportunities to demonstrate their level of proficiency in listening, speaking, reading, and writing in a language in addition to English. Where valid and reliable assessments are unavailable, a school district or charter school may rely on evaluators trained in assessing under ACTFL proficiency guidelines to assess a student's level of foreign, heritage, or indigenous language proficiency under this section. School districts and charter schools must maintain appropriate records to identify high school students eligible to receive the state bilingual or multilingual gold and platinum seals. The school district or charter school must affix the appropriate seal to the transcript of each high school student who meets the requirements of this subdivision and may affix the seal to the student's diploma. A school district or charter school must not charge the high school student a fee for this seal.

(e) A school district or charter school may award elective course credits in world languages to a student who demonstrates the requisite proficiency in a language other than English under this section.

(f) A school district or charter school may award community service credit to a student who demonstrates an intermediate high or advanced-low ACTFL level of functional proficiency in listening, speaking, reading, and writing in a language other than English and who participates in community service activities that are integrated into the curriculum, involve the participation of teachers, and support biliteracy in the school or local community.

(g) The commissioner must list on the Web page those assessments that are aligned to ACTFL proficiency guidelines.

(h) By August 1, 2015, the colleges and universities of the Minnesota State Colleges and Universities system must establish criteria to translate the seals into college credits based on the world language course equivalencies identified by the Minnesota State Colleges

and Universities faculty and staff and, upon request from an enrolled student, the Minnesota State Colleges and Universities may award foreign language credits to a student who receives a Minnesota World Language Proficiency Certificate under subdivision 1a. A student who demonstrated the requisite level of language proficiency in grade 10, 11, or 12 to receive a seal or certificate and is enrolled in a Minnesota State Colleges and Universities institution must request college credits for the student's seal or proficiency certificate within three academic years after graduating from high school. The University of Minnesota is encouraged to award students foreign language academic credits consistent with this paragraph.

Sec. 4. Minnesota Statutes 2016, section 120B.12, is amended to read:

120B.12 READING PROFICIENTLY NO LATER THAN THE END OF GRADE 3.

Subdivision 1. **Literacy goal.** The legislature seeks to have every child reading at or above grade level no later than the end of grade 3, including English learners, students receiving literacy interventions under section 125A.56, and students in an approved program under section 125A.50, and that teachers provide comprehensive, scientifically based reading instruction consistent with section 122A.06, subdivision 4.

Subd. 1a. **Definitions.** (a) For the purposes of this section, the terms defined in this subdivision have the meanings given them.

(b) "Core reading instruction" means the curriculum, assessments, materials, and instructional practices with which all students are actively engaged to achieve and exceed proficiency standards.

(c) "Diagnostic" means assessment intended to identify students' specific areas of need related to literacy to inform instructional decisions.

(d) "Evidence-based" means demonstrating a statistically significant effect on improving student outcomes or other relevant outcomes based on strong evidence from one or more quality experimental studies, moderate evidence from one or more quasi-experimental studies, or promising evidence from one or more correlational studies with statistical controls for selection bias.

(e) "Fidelity" means the extent to which a practice, program, or strategy is implemented as designed.

(f) "Multisensory instruction" means instruction that incorporates opportunities to practice that include seeing, hearing, saying, and physically doing.

(g) "Multitiered system of supports" means a framework to improve outcomes for all students that organizes district-level resources to address each individual student's needs, such as academic or behavior needs or both, that includes: screening of all students using valid and reliable measures; tiers of instruction that vary in intensity; collaborative teams that review data, problem solve, and organize instruction; frequent progress monitoring using valid and reliable measures to determine the impact of evidence-based interventions; and a system to ensure that instruction including interventions are evidence-based and implemented with fidelity. For the purposes of this section, the multitiered system applies to the development of literacy to increase the number of students meeting proficiency standards.

(h) "Progress monitoring" means frequent assessment to examine a student's rate of progress on specific skills in order to guide decisions regarding the effectiveness of intervention programs, as well as assisting in making additional instructional decisions for a student.

(i) "Screening" means systematically assessing all students on literacy indicators for the purpose of identifying students who may require additional support and who are at risk of poor learning outcomes. Screening assessments are typically brief, conducted with all students at a grade level, and followed by additional testing or short-term progress monitoring to corroborate students' risk status.

(j) "Supplemental and intensive instruction" means instruction that increases the intensity and practice of an activity, which is accomplished primarily by increasing the instructional time, reducing the size of the group, and focusing the instruction.

(k) "Systematic and explicit instruction" means instruction that logically builds from the smallest to more complex concepts such that there is no confusion or doubt and includes specific design and delivery procedures.

Subd. 2. **Identification; report.** (a) Each school district shall identify before the end of kindergarten, grade 1, and grade 2 students who are not reading at grade level before the end of the current school year. ~~Reading~~ The district must use locally adopted, developmentally appropriate, and culturally responsive screening and diagnostic assessments in English; and in the predominant languages of district students, where practicable, ~~must~~ to identify and evaluate students' areas of academic need related to literacy. The district also must monitor the progress and provide reading instruction appropriate to the specific needs of English learners. The district must use a locally adopted, developmentally

16.1 ~~appropriate, and culturally responsive assessment and~~ annually report each of the following
16.2 to the commissioner by July 1:

16.3 (1) a summary of assessment results to the commissioner by July 1; and

16.4 (2) The district also must annually report a summary of the district's efforts to screen
16.5 and identify students with dyslexia consistent with section 125A.01 or convergence
16.6 insufficiency disorder ~~to the commissioner by July 1.~~

16.7 (b) A student identified under this subdivision, including English learners, students with
16.8 identified reading disorders, and students with disabilities, must be provided ~~with alternate~~
16.9 ~~instruction under section 125A.56, subdivision 1~~ additional evidence-based literacy practices
16.10 such as through a system of multitiered supports or specially designed instructional services
16.11 as identified in an individualized education program.

16.12 Subd. 2a. **Parent notification and involvement.** Schools, at least annually, must give
16.13 the parent of each student who is not reading at or above grade level timely information
16.14 about:

16.15 (1) the student's reading proficiency as measured by a locally adopted assessment;

16.16 (2) reading-related services currently being provided to the student and the student's
16.17 progress; and

16.18 (3) strategies for parents to use at home in helping their student succeed in becoming
16.19 grade-level proficient in reading in English and in their native language.

16.20 A district may not use this section to deny a student's right to a special education
16.21 evaluation.

16.22 Subd. 3. **Intervention.** (a) For each student identified under subdivision 2, the district
16.23 shall provide reading intervention, such as through a multitiered system of supports, to
16.24 accelerate student growth and reach the goal of reading at or above grade level by the end
16.25 of the current grade and school year consistent with sections 125A.50 and 125A.56,
16.26 subdivision 2. Reading instruction and interventions must be appropriate to the specific
16.27 needs of English learners.

16.28 (b) District intervention methods shall encourage family engagement and, where possible,
16.29 collaboration with appropriate school and community programs.

16.30 (c) Intervention ~~methods~~ delivery options may include, but are not limited to, requiring
16.31 attendance in summer school, intensified reading instruction that may require that the student
16.32 be removed from the regular classroom for part of the school day, specially designed

17.1 instruction for students who qualify for special education services, extended-day programs,
17.2 or programs that strengthen students' cultural connections.

17.3 (d) Intervention methods matched to the needs, stage of development, and culture of the
17.4 students engaging with the instruction must include, but are not limited to:

17.5 (1) evidence-based practices delivered with fidelity;

17.6 (2) systematic, explicit, multisensory instruction with sufficient practice;

17.7 (3) provision of timely error correction and positive feedback to students;

17.8 (4) use of progress monitoring data for decision making; and

17.9 (5) supplemental and intensive instruction.

17.10 (e) A student, other than a student under an individualized education program (IEP),
17.11 who is unable to demonstrate grade-level proficiency as measured by the statewide reading
17.12 assessment in grade 3 shall receive a personal learning plan in a format determined by the
17.13 school or school district in consultation with classroom teachers, and developed and updated
17.14 as needed in consultation, to the extent practicable, with the student and the student's parents
17.15 by the classroom teachers and other qualified school professionals involved with the student's
17.16 elementary school progress. A personal learning plan shall address knowledge gaps and
17.17 skill deficiencies through strategies such as specific exercises and practices during and
17.18 outside of the regular school day, periodic assessments and timelines, and may include grade
17.19 retention, if necessary, to meet the student's best interests. Intervention must continue after
17.20 grade 3 until the student is reading at grade level.

17.21 Subd. 4. **Staff development.** Each district shall use the data under subdivision 2 to
17.22 identify the staff development needs so that:

17.23 (1) elementary teachers are able to implement comprehensive, scientifically based reading
17.24 and oral language instruction in the five reading areas of phonemic awareness, phonics,
17.25 fluency, vocabulary, and comprehension as defined in section 122A.06, subdivision 4, and
17.26 other literacy-related areas including writing until the student achieves grade-level reading
17.27 proficiency;

17.28 (2) elementary teachers have sufficient training to provide comprehensive, scientifically
17.29 based reading and oral language instruction that meets students' developmental, linguistic,
17.30 and literacy needs using the intervention methods or programs selected by the district for
17.31 the identified students;

(3) licensed teachers employed by the district have regular opportunities to improve reading and writing instruction;

(4) licensed teachers recognize students' diverse needs in cross-cultural settings and are able to serve the oral language and linguistic needs of students who are English learners by maximizing strengths in their native languages in order to cultivate students' English language development, including oral academic language development, and build academic literacy; and

(5) licensed teachers are well trained in culturally responsive pedagogy that enables students to master content, develop skills to access content, and build relationships.

Subd. 4a. **Local literacy plan.** (a) Consistent with this section, a school district must adopt a local literacy plan to have every child reading at or above grade level no later than the end of grade 3, including English learners. The plan must be consistent with section 122A.06, subdivision 4, and include the following:

(1) a process to assess students' level of reading proficiency and data to support the effectiveness of an assessment used to screen and identify a student's level of reading proficiency;

(2) a process to notify and involve parents;

(3) a description of how schools in the district will determine the proper reading intervention strategy for a student and the process for intensifying or modifying the reading strategy in order to obtain measurable reading progress;

(4) evidence-based intervention methods for students who are not reading at or above grade level and progress monitoring to provide information on the effectiveness of the intervention; and

(5) identification of staff development needs, including a program to meet those needs.

(b) The district must post its literacy plan on the official school district Web site.

Subd. 5. **Commissioner.** The commissioner shall recommend to districts multiple assessment tools to assist districts and teachers with identifying students under subdivision 2. The commissioner shall also make available examples of nationally recognized and research-based instructional methods or programs to districts to provide comprehensive, scientifically based reading instruction and intervention under this section.

EFFECTIVE DATE. This section is effective for fiscal year 2018 and later.

19.1 Sec. 5. Minnesota Statutes 2016, section 120B.125, is amended to read:

19.2 **120B.125 PLANNING FOR STUDENTS' SUCCESSFUL TRANSITION TO**
19.3 **POSTSECONDARY EDUCATION AND EMPLOYMENT; PERSONAL LEARNING**
19.4 **PLANS.**

19.5 (a) Consistent with sections 120B.13, 120B.131, 120B.132, 120B.14, 120B.15, 120B.30,
19.6 subdivision 1, paragraph (c), 125A.08, and other related sections, school districts, beginning
19.7 in the 2013-2014 school year, must assist all students by no later than grade 9 to explore
19.8 their educational, college, and career interests, aptitudes, and aspirations and develop a plan
19.9 for a smooth and successful transition to postsecondary education or employment. All
19.10 students' plans must:

19.11 (1) provide a comprehensive plan to prepare for and complete a career and college ready
19.12 curriculum by meeting state and local academic standards and developing career and
19.13 employment-related skills such as team work, collaboration, creativity, communication,
19.14 critical thinking, and good work habits;

19.15 (2) emphasize academic rigor and high expectations, and inform the student and their
19.16 parent or guardian, if the student is a minor, of the student's achievement level score on the
19.17 Minnesota Comprehensive Assessments that are administered during high school;

19.18 (3) help students identify interests, aptitudes, aspirations, and personal learning styles
19.19 that may affect their career and college ready goals and postsecondary education and
19.20 employment choices;

19.21 (4) set appropriate career and college ready goals with timelines that identify effective
19.22 means for achieving those goals;

19.23 (5) help students access education and career options;

19.24 (6) integrate strong academic content into career-focused courses and applied and
19.25 experiential learning opportunities and integrate relevant career-focused courses and applied
19.26 and experiential learning opportunities into strong academic content;

19.27 (7) help identify and access appropriate counseling and other supports and assistance
19.28 that enable students to complete required coursework, prepare for postsecondary education
19.29 and careers, and obtain information about postsecondary education costs and eligibility for
19.30 financial aid and scholarship;

19.31 (8) help identify collaborative partnerships among prekindergarten through grade 12
19.32 schools, postsecondary institutions, economic development agencies, and local and regional

employers that support students' transition to postsecondary education and employment and provide students with applied and experiential learning opportunities; and

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

(b) A school district may develop grade-level curricula or provide instruction that introduces students to various careers, but must not require any curriculum, instruction, or employment-related activity that obligates an elementary or secondary student to involuntarily select or pursue a career, career interest, employment goals, or related job training.

(c) Educators must possess the knowledge and skills to effectively teach all English learners in their classrooms. School districts must provide appropriate curriculum, targeted materials, professional development opportunities for educators, and sufficient resources to enable English learners to become career and college ready.

(d) When assisting students in developing a plan for a smooth and successful transition to postsecondary education and employment, districts must recognize the unique possibilities of each student and ensure that the contents of each student's plan reflect the student's unique talents, skills, and abilities as the student grows, develops, and learns.

(e) If a student with a disability has an individualized education program (IEP) or standardized written plan that meets the plan components of this section, the IEP satisfies the requirement and no additional transition plan is needed.

(f) Students who do not meet or exceed Minnesota academic standards, as measured by the Minnesota Comprehensive Assessments that are administered during high school, shall be informed that admission to a public school is free and available to any resident under 21 years of age or who meets the requirements of section 120A.20, subdivision 1, paragraph (c). A student's plan under this section shall continue while the student is enrolled.

EFFECTIVE DATE. This section is effective July 1, 2017.

Sec. 6. Minnesota Statutes 2016, section 120B.30, subdivision 1a, is amended to read:

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

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

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

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

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

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

(b) The commissioner must use ~~fully~~ adaptive mathematics and reading assessments for grades 3 through 8.

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

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

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

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

22.1 (1) individual student performance data and achievement reports are available within
22.2 three school days of when students take an assessment except in a year when an assessment
22.3 reflects new performance standards;

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

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

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

22.14 (e) The commissioner must ensure that all state tests administered to elementary and
22.15 secondary students measure students' academic knowledge and skills and not students'
22.16 values, attitudes, and beliefs.

22.17 (f) Reporting of state assessment results must:

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

22.20 (2) include a growth indicator of student achievement; and

22.21 (3) determine whether students have met the state's academic standards.

22.22 (g) Consistent with applicable federal law, the commissioner must include appropriate,
22.23 technically sound accommodations or alternative assessments for the very few students with
22.24 disabilities for whom statewide assessments are inappropriate and for English learners.

22.25 (h) A school, school district, and charter school must administer statewide assessments
22.26 under this section, as the assessments become available, to evaluate student progress toward
22.27 career and college readiness in the context of the state's academic standards. A school,
22.28 school district, or charter school may use a student's performance on a statewide assessment
22.29 as one of multiple criteria to determine grade promotion or retention. A school, school
22.30 district, or charter school may use a high school student's performance on a statewide
22.31 assessment as a percentage of the student's final grade in a course, or place a student's
22.32 assessment score on the student's transcript.

23.1 Sec. 7. Minnesota Statutes 2016, section 124D.09, subdivision 3, is amended to read:

23.2 Subd. 3. **Definitions.** For purposes of this section, the following terms have the meanings
23.3 given to them.

23.4 (a) "Eligible institution" means a Minnesota public postsecondary institution, a private,
23.5 nonprofit two-year trade and technical school granting associate degrees, an opportunities
23.6 industrialization center accredited by the North Central Association of Colleges and Schools,
23.7 or a private, residential, two-year or four-year, liberal arts, degree-granting college or
23.8 university located in Minnesota.

23.9 (b) "Course" means a course or program.

23.10 (c) "Concurrent enrollment" means nonsectarian courses in which an eligible pupil under
23.11 subdivision 5 enrolls to earn both secondary and postsecondary credits, are taught by a
23.12 secondary teacher or a postsecondary faculty member, and are offered at a high school for
23.13 which the district is eligible to receive concurrent enrollment program aid under section
23.14 124D.091.

23.15 Sec. 8. Minnesota Statutes 2016, section 124D.09, subdivision 5, is amended to read:

23.16 Subd. 5. **Authorization; notification.** Notwithstanding any other law to the contrary,
23.17 an 11th or 12th grade pupil enrolled in a school or an American Indian-controlled tribal
23.18 contract or grant school eligible for aid under section 124D.83, except a foreign exchange
23.19 pupil enrolled in a district under a cultural exchange program, may apply to an eligible
23.20 institution, as defined in subdivision 3, to enroll in nonsectarian courses offered by that
23.21 postsecondary institution. ~~Notwithstanding any other law to the contrary, a 9th or 10th grade~~
23.22 ~~pupil enrolled in a district or an American Indian-controlled tribal contract or grant school~~
23.23 ~~eligible for aid under section 124D.83, except a foreign exchange pupil enrolled in a district~~
23.24 ~~under a cultural exchange program, may apply to enroll in nonsectarian courses offered~~
23.25 ~~under subdivision 10, if (1) the school district and the eligible postsecondary institution~~
23.26 ~~providing the course agree to the student's enrollment or (2) the course is a world language~~
23.27 ~~course currently available to 11th and 12th grade students, and consistent with section~~
23.28 ~~120B.022 governing world language standards, certificates, and seals.~~ If an institution
23.29 accepts a secondary pupil for enrollment under this section, the institution shall send written
23.30 notice to the pupil, the pupil's school or school district, and the commissioner ~~within ten~~
23.31 ~~days of acceptance.~~ The notice must indicate the course and hours of enrollment of that
23.32 pupil. If the pupil enrolls in a course for postsecondary credit, the institution must notify
23.33 the pupil about payment in the customary manner used by the institution.

24.1 Sec. 9. Minnesota Statutes 2016, section 124D.09, is amended by adding a subdivision to
24.2 read:

24.3 Subd. 5b. **Authorization; 9th or 10th grade pupil.** Notwithstanding any other law to
24.4 the contrary, a 9th or 10th grade pupil enrolled in a district or an American Indian-controlled
24.5 tribal contract or grant school eligible for aid under section 124D.83, except a foreign
24.6 exchange pupil enrolled in a district under a cultural exchange program, may apply to enroll
24.7 in nonsectarian courses offered under subdivision 10, if: (1) the school district and the
24.8 eligible postsecondary institution providing the course agree to the student's enrollment; or
24.9 (2) the course is a world language course currently available to 11th and 12th grade students,
24.10 and consistent with section 120B.022 governing world language standards, certificates, and
24.11 seals.

24.12 Sec. 10. Minnesota Statutes 2016, section 124D.09, subdivision 13, is amended to read:

24.13 Subd. 13. **Financial arrangements.** For a pupil enrolled in a course under this section,
24.14 the department must make payments according to this subdivision for courses that were
24.15 taken for secondary credit.

24.16 The department must not make payments to a school district or postsecondary institution
24.17 for a course taken for postsecondary credit only. The department must not make payments
24.18 to a postsecondary institution for a course from which a student officially withdraws during
24.19 the first 14 days of the quarter or semester or who has been absent from the postsecondary
24.20 institution for the first 15 consecutive school days of the quarter or semester and is not
24.21 receiving instruction in the home or hospital.

24.22 A postsecondary institution shall receive the following:

24.23 (1) for an institution granting quarter credit, the reimbursement per credit hour shall be
24.24 an amount equal to 88 percent of the product of the formula allowance minus \$425, multiplied
24.25 by 1.2, and divided by 45; or

24.26 (2) for an institution granting semester credit, the reimbursement per credit hour shall
24.27 be an amount equal to 88 percent of the product of the general revenue formula allowance
24.28 minus \$425, multiplied by 1.2, and divided by 30.

24.29 The department must pay to each postsecondary institution 100 percent of the amount
24.30 in clause (1) or (2) within ~~30~~ 45 days of receiving initial enrollment information each quarter
24.31 or semester. If changes in enrollment occur during a quarter or semester, the change shall
24.32 be reported by the postsecondary institution at the time the enrollment information for the
24.33 succeeding quarter or semester is submitted. At any time the department notifies a

25.1 postsecondary institution that an overpayment has been made, the institution shall promptly
25.2 remit the amount due.

25.3 Sec. 11. Minnesota Statutes 2016, section 124E.02, is amended to read:

25.4 **124E.02 DEFINITIONS.**

25.5 (a) For purposes of this chapter, the terms defined in this section have the meanings
25.6 given them.

25.7 (b) "Affidavit" means a written statement the authorizer submits to the commissioner
25.8 for approval to establish a charter school under section 124E.06, subdivision 4, attesting to
25.9 its review and approval process before chartering a school.

25.10 (c) "Affiliate" means a person that directly or indirectly, through one or more
25.11 intermediaries, controls, is controlled by, or is under common control with another person.

25.12 (d) "Control" means the ability to affect the management, operations, or policy actions
25.13 or decisions of a person, whether by owning voting securities, by contract, or otherwise.

25.14 (e) "Immediate family" means an individual whose relationship by blood, marriage,
25.15 adoption, or partnership is no more remote than first cousin.

25.16 (f) "Person" means an individual or entity of any kind.

25.17 (g) "Related party" means an affiliate or immediate relative of the other interested party,
25.18 an affiliate of an immediate relative who is the other interested party, or an immediate
25.19 relative of an affiliate who is the other interested party.

25.20 (h) "Charter management organizations" (CMO) means any nonprofit entity that contracts
25.21 with a charter school board of directors to provide, manage, or oversee all or substantially
25.22 all of the school's educational design or implementation, or the charter school's administrative,
25.23 financial, business, or operational functions.

25.24 (i) "Education management organization" (EMO) means any for-profit entity that
25.25 provides, manages, oversees all or substantially all of the educational design or
25.26 implementation, or the charter school's administrative, financial, business, or operational
25.27 functions.

25.28 (j) "Online education service provider" means an organization that provides the online
25.29 learning management system, virtual learning environment, or online student management
25.30 system and services for the implementation and operation of the online education program.

26.1 (k) For purposes of this chapter, the terms defined in section 120A.05 have the same
26.2 meanings.

26.3 Sec. 12. Minnesota Statutes 2016, section 124E.03, subdivision 2, is amended to read:

26.4 Subd. 2. **Certain federal, state, and local requirements.** (a) A charter school shall
26.5 meet all federal, state, and local health and safety requirements applicable to school districts.

26.6 (b) A school must comply with statewide accountability requirements governing standards
26.7 and assessments in chapter 120B.

26.8 (c) A charter school must comply with the Minnesota Public School Fee Law, sections
26.9 123B.34 to 123B.39.

26.10 (d) A charter school is a district for the purposes of tort liability under chapter 466.

26.11 (e) A charter school must comply with the Pledge of Allegiance requirement under
26.12 section 121A.11, subdivision 3.

26.13 (f) A charter school and charter school board of directors must comply with chapter 181
26.14 governing requirements for employment.

26.15 (g) A charter school must comply with continuing truant notification under section
26.16 260A.03.

26.17 (h) A charter school must develop and implement a teacher evaluation and peer review
26.18 process under section 122A.40, subdivision 8, paragraph (b), clauses (2) to (13), and
26.19 paragraph (d). The teacher evaluation process in this paragraph does not create any additional
26.20 employment rights for teachers.

26.21 (i) A charter school must adopt a policy, plan, budget, and process, consistent with
26.22 section 120B.11, to review curriculum, instruction, and student achievement and strive for
26.23 the world's best workforce.

26.24 (j) A charter school is subject to and must comply with the Pupil Fair Dismissal Act,
26.25 sections 121A.40 to 121A.56.

26.26 Sec. 13. Minnesota Statutes 2016, section 124E.05, is amended by adding a subdivision
26.27 to read:

26.28 Subd. 2a. **Role, responsibilities, and requirements of authorizers.** (a) The role of an
26.29 authorizer is to ensure that the schools it authorizes fulfill the purposes for chartered public
26.30 schools and the agreed upon terms of the charter contract in order to safeguard quality
26.31 educational opportunities for students and maintain public trust and confidence.

27.1 (b) An authorizer has the following responsibilities:

27.2 (1) to review applications for new schools and grade and site expansions of current
27.3 schools, and determine whether to approve or deny the applications based on sound criteria
27.4 and needs;

27.5 (2) to negotiate and execute performance charter contracts with the schools it authorizes;

27.6 (3) to conduct ongoing monitoring and oversight of the school's academic, operational,
27.7 and financial performance commensurate with the school's circumstances during the term
27.8 of charter contract; and

27.9 (4) to evaluate the academic, operational, and financial performance of the school as
27.10 defined in the charter contract prior to the end of the contract to determine the renewal status
27.11 or termination of the contract.

27.12 (c) The commissioner shall not require an authorizer to undertake any role or
27.13 responsibility beyond those in statute or the charter contract, or perform any oversight
27.14 function which the department exercises in relation to any other public school.

27.15 (d) The authorizer shall document in the annual income and expenditure report under
27.16 subdivision 8 the training its staff and consultants participated in during the previous school
27.17 year relative to chartering and authorizer role and responsibilities.

27.18 (e) The authorizer must participate in annual department approved training.

27.19 Sec. 14. Minnesota Statutes 2016, section 124E.05, subdivision 4, is amended to read:

27.20 Subd. 4. **Application content.** (a) To be approved as an authorizer, an applicant must
27.21 include in its application to the commissioner at least the following:

27.22 (1) how the organization carries out its mission by chartering schools;

27.23 (2) a description of the capacity of the organization to serve as an authorizer, including
27.24 the positions allocated to authorizing duties, the qualifications for those positions, the
27.25 full-time equivalencies of those positions, and the financial resources available to fund the
27.26 positions;

27.27 (3) the application and review process the authorizer uses to decide whether to grant
27.28 charters;

27.29 (4) the type of contract it arranges with the schools it charters to meet the provisions of
27.30 section 124E.10;

(5) the process for overseeing the school, consistent with clause (4), to ensure that the schools chartered comply with applicable law and rules and the contract;

(6) the criteria and process the authorizer uses to approve applications adding grades or sites under section 124E.06, subdivision 5; and

(7) the process for renewing or terminating the school's charter based on evidence showing the academic, organizational, and financial competency of the school, including its success in increasing student achievement and meeting the goals of the charter school agreement; and.

~~(8) an assurance specifying that the organization is committed to serving as an authorizer for the full five-year term.~~

(b) Notwithstanding paragraph (a), an authorizer that is a school district may satisfy the requirements of paragraph (a), clauses (1) and (2), and any requirement governing a conflict of interest between an authorizer and its charter schools or ongoing evaluation or continuing education of an administrator or other professional support staff by submitting to the commissioner a written promise to comply with the requirements.

Sec. 15. Minnesota Statutes 2016, section 124E.05, subdivision 7, is amended to read:

Subd. 7. **Withdrawal.** If the governing board of an approved authorizer votes to withdraw as an approved authorizer for a reason unrelated to any cause under section 124E.10, subdivision 4, the authorizer must notify all its chartered schools and the commissioner in writing by March 1 of its intent to withdraw as an authorizer on June 30 in the next calendar year, regardless of when the authorizer's five-year term of approval ends. Upon notification of the schools and commissioner, the authorizer must provide a letter to the school for distribution to families of students enrolled in the school that explains the decision to withdraw as an authorizer, and outlines the process the authorizer will undertake to assist the school's transfer to another authorizer. The commissioner may approve the transfer of a charter school to a new authorizer under section 124E.10, subdivision 5 5a.

Sec. 16. Minnesota Statutes 2016, section 124E.06, subdivision 7, is amended to read:

Subd. 7. **Merger.** (a) Two or more charter schools may merge under chapter 317A. The effective date of a merger must be July 1. The merged school must continue under the identity of one of the merging schools. The authorizer and the merged school must execute a new charter contract under section 124E.10, subdivision 1, by July 1. The authorizer must

29.1 submit to the commissioner a copy of the new signed charter contract within ten business
29.2 days of executing the contract.

29.3 (b) Each merging school must submit a separate year-end report for the previous fiscal
29.4 year for that school only. After the final fiscal year of the premerger schools is closed out,
29.5 each of those schools must transfer the fund balances and debts to the merged school.

29.6 (c) For its first year of operation, the merged school is eligible to receive aid from
29.7 programs requiring approved applications equal to the sum of the aid of all of the merging
29.8 schools. For aids based on prior year data, the merged school is eligible to receive aid for
29.9 its first year of operation based on the combined data of all of the merging schools.

29.10 (d) A charter school notified that its contract is not being renewed or terminated under
29.11 section 124E.10, subdivision 4, may merge with another school only if the school proposing
29.12 to take over the school:

29.13 (1) has a compatible academic or learning program;

29.14 (2) had, as of June 30 of the previous year, a net positive unreserved general fund balance
29.15 for at least three fiscal years; and

29.16 (3) submits a plan for the assimilation of the schools into a merged school that is approved
29.17 by the authorizers of the schools involved in the merger.

29.18 After approving the school's plan for the assimilation of the schools into a merged school,
29.19 the authorizer shall submit an affidavit in the form and manner prescribed by the
29.20 commissioner at least 60 business days prior to contract nonrenewal or contract termination.

29.21 Sec. 17. Minnesota Statutes 2016, section 124E.07, subdivision 3, is amended to read:

29.22 Subd. 3. **Membership criteria.** (a) The ongoing charter school board of directors shall
29.23 have at least five nonrelated members and include: (1) at least one licensed teacher who is
29.24 employed as a teacher ~~at~~ by the school or provides instruction under contract between the
29.25 charter school and a cooperative; (2) at least one parent or legal guardian of a student enrolled
29.26 in the charter school who is not an employee of the charter school; and (3) at least one
29.27 interested community member who resides in Minnesota, is not employed by the charter
29.28 school, and does not have a child enrolled in the school. The board structure may include
29.29 a majority of teachers under this paragraph or parents or community members, or it may
29.30 have no clear majority. ~~The chief financial officer and the chief administrator may only~~
29.31 ~~serve as ex-officio nonvoting board members.~~ No charter school employees shall serve on
29.32 the board other than teachers under clause (1). Contractors providing facilities, goods, or
29.33 services to a charter school shall not serve on the board of directors of the charter school.

(b) An individual is prohibited from serving as a member of the charter school board of directors if: (1) the individual, an immediate family member, or the individual's partner is a full or part owner or principal with a for-profit or nonprofit entity or independent contractor with whom the charter school contracts, directly or indirectly, for professional services, goods, or facilities; or (2) an immediate family member is an employee of the school. An individual may serve as a member of the board of directors if no conflict of interest exists under this paragraph, consistent with this section.

(c) A violation of paragraph (b) renders a contract voidable at the option of the commissioner or the charter school board of directors. A member of a charter school board of directors who violates paragraph (b) is individually liable to the charter school for any damage caused by the violation.

(d) Any employee, agent, or board member of the authorizer who participates in initially reviewing, approving, overseeing, evaluating, renewing, or not renewing the charter school is ineligible to serve on the board of directors of a school chartered by that authorizer.

Sec. 18. Minnesota Statutes 2016, section 124E.07, subdivision 4, is amended to read:

Subd. 4. **Board structure.** Board bylaws shall outline the process and procedures for changing the board's governance structure, consistent with chapter 317A. A board may change its governance structure only:

(1) by a majority vote of the board of directors ~~and~~;

(2) a majority vote of the licensed teachers employed by the school as teachers, including licensed teachers providing instruction under a contract between the school and a cooperative; and

~~(2)~~ (3) with the authorizer's approval.

Any change in board governance structure must conform with the board composition established under this section.

Sec. 19. Minnesota Statutes 2016, section 124E.07, subdivision 7, is amended to read:

Subd. 7. **Training.** Every charter school board member, including voting and nonvoting ex-officio members, shall attend annual training throughout the member's term. All new board members shall attend initial training on the board's role and responsibilities, employment policies and practices, and financial management. A new board member who does not begin the required initial training within ~~six~~ three months after being seated and complete that training within ~~12~~ nine months after being seated is automatically ineligible

31.1 to continue to serve as a board member. The school shall include in its annual report the
31.2 training each board member attended during the previous year.

31.3 Sec. 20. Minnesota Statutes 2016, section 124E.10, is amended by adding a subdivision
31.4 to read:

31.5 Subd. 5a. **School transfer of authorizers.** (a) If the authorizer and the charter school
31.6 board mutually agree to not renew the contract for a reason unrelated to any cause under
31.7 subdivision 4, the authorizer and charter school must jointly submit to the commissioner a
31.8 written and signed letter of their intent to mutually not renew the contract. The authorizer
31.9 that is a party to the existing contract must inform the proposed authorizer about the fiscal,
31.10 operational, and student performance status of the school, including unmet contract outcomes
31.11 and other contractual obligations. The charter contract between the proposed authorizers
31.12 and the school must identify and provide a plan to address any outstanding obligations. If
31.13 the commissioner does not approve the transfer of authorizer, the current authorizer and the
31.14 school may withdraw their letter of nonrenewal and enter into a new contract. If the
31.15 commissioner does not approve the transfer and the authorizer and school enter into a new
31.16 contract without withdrawing their letter of nonrenewal, the school must be dissolved
31.17 according to applicable law and the terms of the contract.

31.18 (b) If, at the end of a contract, a charter school board votes to not renew its contract with
31.19 the authorizer, is not subject to action under an authorizer's established corrective action or
31.20 intervention plan as defined in their current contract, and is not subject to action of the
31.21 authorizer under subdivision 4, the charter school board must notify the authorizer and
31.22 commissioner that it does not plan to renew the relationship with the authorizer. The
31.23 authorizer that is party to the existing contract must inform the proposed authorizer about
31.24 the fiscal, operational, and student performance status of the school. The charter contract
31.25 between the proposed authorizer and the school must identify and provide a plan to address
31.26 any performance issues identified by the current authorizer. If the commissioner does not
31.27 approve the transfer of authorizers and the current authorizer and school do not enter into
31.28 a new contract, the school must be dissolved according to applicable law and the terms of
31.29 the contract.

31.30 (c) If the governing board of an approved authorizer votes to withdraw as an authorizer
31.31 under section 124E.05, subdivision 7, the proposed authorizer may submit a transfer request
31.32 to the commissioner at any time after the withdrawing authorizer has given proper notice
31.33 to the commissioner and the schools it authorizes. The authorizer and school board of
31.34 directors must, in a joint letter, notify families of students enrolled in the school the date of

the withdrawal, outline the process to change authorizers, and the possible outcomes of that process. The commissioner shall have 20 business days to review the transfer request and notify the proposed authorizer and the school of the commissioner's decision. The proposed authorizer and the school have 15 business days to address any issues identified by the commissioner's review. The commissioner shall have 20 business days after the proposed authorizer and the school address any issues identified by the commissioner's initial review to make a final determination.

(d) If the commissioner withdraws the authority of the authorizer to authorize schools under section 124E.05, subdivision 6, the commissioner shall develop a transfer of authorizer plan with the authorizer, the charter school, and the proposed authorizer. This paragraph applies to schools not subject to nonrenewal for any cause under subdivision 4.

(e) Transfer requests with the proposed contracts under paragraphs (a) and (b) shall be submitted to the commissioner at least 105 business days before the end of an existing contract. The commissioner shall have 30 business days to review the transfer request and notify the proposed authorizer and the school of the commissioner's decision. The proposed authorizer and the school shall have 15 business days to address any issues identified by the commissioner's review. The commissioner shall make a final determination of the transfer request not later than 45 business days before the end of the current contract.

Sec. 21. Minnesota Statutes 2016, section 124E.11, is amended to read:

124E.11 ADMISSION REQUIREMENTS AND ENROLLMENT.

(a) A charter school, including its free preschool or prekindergarten program established under section 124E.06, subdivision 3, paragraph (b), may limit admission to:

(1) pupils within an age group or grade level;

(2) pupils who are eligible to participate in the graduation incentives program under section 124D.68; or

(3) residents of a specific geographic area in which the school is located when the majority of students served by the school are members of underserved populations.

(b) A charter school, including its free preschool or prekindergarten program established under section 124E.06, subdivision 3, paragraph (b), shall enroll an eligible pupil who submits a timely application, unless the number of applications exceeds the capacity of a program, class, grade level, or building. In this case, pupils must be accepted by lot. The charter school must develop and publish, including on its Web site, a lottery policy and process that it must use when accepting pupils by lot.

(c) A charter school shall give enrollment preference to a sibling of an enrolled pupil and to a foster child of that pupil's parents and may give preference for enrolling children of the school's staff before accepting other pupils by lot. A charter school that is located in Duluth township in St. Louis County and admits students in kindergarten through grade 6 must give enrollment preference to students residing within a five-mile radius of the school and to the siblings of enrolled children. A charter school may give enrollment preference to children currently enrolled in the school's free preschool or prekindergarten program under section 124E.06, subdivision 3, paragraph (a), who are eligible to enroll in kindergarten in the next school year.

(d) A person shall not be admitted to a charter school (1) as a kindergarten pupil, unless the pupil is at least five years of age on September 1 of the calendar year in which the school year for which the pupil seeks admission commences; or (2) as a first grade student, unless the pupil is at least six years of age on September 1 of the calendar year in which the school year for which the pupil seeks admission commences or has completed kindergarten; except that a charter school may establish and publish on its Web site a policy for admission of selected pupils at an earlier age, consistent with the enrollment process in paragraphs (b) and (c).

(e) Except as permitted in paragraph (d), a charter school, including its free preschool or prekindergarten program established under section 124E.06, subdivision 3, paragraph (b), may not limit admission to pupils on the basis of intellectual ability, measures of achievement or aptitude, or athletic ability and may not establish any criteria or requirements for admission that are inconsistent with this section.

(f) The charter school or any agent of the school shall not distribute any services or goods, payments, or other incentives of value to students, parents, or guardians as an inducement, term, or condition of enrolling a student in a charter school.

(g) Once a student is enrolled in the school, the student is considered enrolled in the school until the ~~student formally withdraws~~ school receives a request for the transfer of educational records from another school, or a written election by the parent or guardian of the student withdrawing the student, or is expelled under the Pupil Fair Dismissal Act in sections 121A.40 to 121A.56. ~~A charter school is subject to and must comply with the Pupil Fair Dismissal Act, sections 121A.40 to 121A.56.~~

(h) A charter school with at least 90 percent of enrolled students who are eligible for special education services and have a primary disability of deaf or hard-of-hearing may enroll prekindergarten pupils with a disability under section 126C.05, subdivision 1,

paragraph (a), and must comply with the federal Individuals with Disabilities Education Act under Code of Federal Regulations, title 34, section 300.324, subsection (2), clause (iv).

Sec. 22. Minnesota Statutes 2016, section 124E.16, is amended to read:

124E.16 REPORTS.

Subdivision 1. **Audit report.** (a) A charter school is subject to the same financial audits, audit procedures, and audit requirements as a district, except as required under this subdivision. Audits must be conducted in compliance with generally accepted governmental auditing standards, the federal Single Audit Act, if applicable, and section 6.65 governing auditing procedures. A charter school is subject to and must comply with sections 15.054; 118A.01; 118A.02; 118A.03; 118A.04; 118A.05; 118A.06 governing government property and financial investments; and sections 471.38; 471.391; 471.392; and 471.425 governing municipal contracting. The audit must comply with the requirements of sections 123B.75 to 123B.83 governing school district finance, except when the commissioner and authorizer approve a deviation made necessary because of school program finances. The commissioner, state auditor, legislative auditor, or authorizer may conduct financial, program, or compliance audits. A charter school in statutory operating debt under sections 123B.81 to 123B.83 must submit a plan under section 123B.81, subdivision 4.

(b) The charter school must submit an audit report to the commissioner and its authorizer annually by December 31.

(c) The charter school, with the assistance of the auditor conducting the audit, must include with the audit report, as supplemental information: (1) a copy of a new management agreement or an amendment to a current agreement with a charter management organization CMO or EMO signed during the audit year; or an educational management organization and (2) service agreements or contracts over the lesser of \$100,000 or ten percent of the school's most recent annual audited expenditures a copy of a new agreement or amendment to a current contract with an online education service provider; and (3) a copy of a service agreement or contract with a company or individual totalling over ten percent of the audited expenditures for the most recent audit year. The agreements must detail the terms of the agreement, including the services provided and the annual costs for those services. ~~If the entity that provides the professional services to the charter school is exempt from taxation under section 501 of the Internal Revenue Code of 1986, that entity must file with the commissioner by February 15 a copy of the annual return required under section 6033 of the Internal Revenue Code of 1986.~~

(d) A charter school independent audit report shall include audited financial data of an affiliated building corporation under section 124E.13, subdivision 3, or other component unit.

(e) If the audit report finds that a material weakness exists in the financial reporting systems of a charter school, the charter school must submit a written report to the commissioner explaining how the charter school will resolve that material weakness. An auditor, as a condition of providing financial services to a charter school, must agree to make available information about a charter school's financial audit to the commissioner and authorizer upon request.

Subd. 2. Annual public reports. (a) A charter school must publish an annual report approved by the board of directors. The annual report must at least include information on school enrollment, student attrition, governance and management, staffing, finances, management agreements with a CMO, EMO, or online education service provider, academic performance, innovative practices and implementation, and future plans. A charter school may combine this report with the reporting required under section 120B.11 governing the world's best workforce. A charter school must post the annual report on the school's official Web site. A charter school also must distribute the annual report by publication, mail, or electronic means to its authorizer, school employees, and parents and legal guardians of students enrolled in the charter school. The reports are public data under chapter 13.

(b) An authorizer must submit an annual public report in a manner specified by the commissioner by January 15 for the previous school year ending June 30 that shall at least include key indicators of school academic, operational, and financial performance. The report is part of the system to evaluate authorizer performance under section 124E.05, subdivision 5.

Subd. 3. Public accountability and reporting of education management and online education service provider agreements. (a) A charter school that enters into a management agreement with a CMO, EMO, or an online education service provider must:

(1) publish on its Web site for at least 20 business days the proposed final agreement for public review and comment before the school board may adopt the contract or agreement. Any changes made to the posted agreement during the public review period or any proposed amendments to the agreement once adopted must be posted for 20 business days before the board may adopt the amendments to the contract;

(2) annually publish on its Web site a statement of assurance that no member of the school board, employee, or any agent of the school has been promised or received any form

of compensation or gifts from the CMO, EMO, or online education service provider and that no person involved as a board member, employee, or agent of the CMO, EMO, or online education service provider or any of the affiliates of these organizations or providers serve on the charter school board; and

(3) conduct an independent review and evaluation of the services provided by the CMO, EMO, or online education service provider and publish the evaluation on the school's Web site at least 60 business days before the end of the current contract.

(b) All management agreements with a CMO, EMO, or online education service provider must contain the following provisions:

(1) the term of the contract, which may not be longer than five years;

(2) the total dollar value of the contract, including the annual projected costs of services;

(3) the description and terms of the services to be provided during the term of the contract;

(4) a statement that if the charter school closes during the term of the contract by action of the authorizer or the school's board, the balance of the current contract becomes null and void;

(5) an annual statement of assurance to the school board that the CMO, EMO, or online education service provider provided no compensation or gifts to any school board member, staff member, or agent of the school;

(6) an annual statement of assurance that no board member, employee, contractor, or agent of the CMO, EMO, or online education service provider or any affiliated organization is a board member of the school;

(7) the policies and protocols that meet federal and state laws regarding student and personnel data collection, usage, access, retention, disclosure and destruction, and indemnification and warranty provisions in case of data breaches by the CMO, EMO, or online education service provider;

(8) the CMO, EMO, or online education service provider must annually provide the school board a financial report that details revenue and expenses attributed to the contract by July 31 for the previous fiscal year that accounts for using the account categories in UFARS; and

(9) an annual assurance that all assets purchased on behalf of the charter school using public funds remain assets of the school.

37.1 (c) Any agreement with a CMO, EMO, or an online education service provider containing
37.2 any of the following provisions is null and void:

37.3 (1) restrictions on the charter school's ability to operate a school upon termination of
37.4 the agreement;

37.5 (2) restrictions on the annual or total amount of the school's operating surplus or fund
37.6 balance;

37.7 (3) authorization to allow a CMO, EMO, or online education service provider to withdraw
37.8 funds from a charter school account; or

37.9 (4) authorization to allow a CMO, EMO, or online education service provider to loan
37.10 funds to the school.

37.11 Sec. 23. Minnesota Statutes 2016, section 124E.17, subdivision 1, is amended to read:

37.12 Subdivision 1. **Charter school information.** (a) Charter schools must disseminate
37.13 information about how to use the charter school offerings to targeted groups, among others.
37.14 Targeted groups include low-income families and communities, students of color, and
37.15 students who are at risk of academic failure.

37.16 (b) Authorizers and the commissioner must disseminate information to the public on
37.17 how to form and operate a charter school. Authorizers, operators, and the commissioner
37.18 also may disseminate information to interested stakeholders about the successful best
37.19 practices in teaching and learning demonstrated by charter schools.

37.20 (c) A charter school must document its dissemination efforts in its annual report.

37.21 Sec. 24. **FEDERAL EVERY STUDENT SUCCEEDS ACT FUNDING FOR**
37.22 **SCIENCE, TECHNOLOGY, ENGINEERING, AND MATH (STEM) ACTIVITIES.**

37.23 School districts are encouraged to use the funding provided for activities to support the
37.24 effective use of technology under Title IV, Part A, of the federal Every Student Succeeds
37.25 Act for:

37.26 (1) mentor-led, hands-on STEM education and engagement with materials that support
37.27 inquiry-based and active learning;

37.28 (2) student participation in STEM competitions, including robotics competitions; and

37.29 (3) mentor-led, classroom-based, after-school activities with informal STEM instruction
37.30 and education.

EFFECTIVE DATE. This section is effective July 1, 2017.

Sec. 25. **REPEALER.**

Minnesota Statutes 2016, section 124E.10, subdivision 5, is repealed.

ARTICLE 3

TEACHERS

Section 1. Minnesota Statutes 2016, section 122A.415, subdivision 4, is amended to read:

Subd. 4. **Basic alternative teacher compensation aid.** (a) The basic alternative teacher compensation aid for a school with a plan approved under section 122A.414, subdivision 2b, equals 65 percent of the alternative teacher compensation revenue under subdivision 1. The basic alternative teacher compensation aid for a charter school with a plan approved under section 122A.414, subdivisions 2a and 2b, equals \$260 times the number of pupils enrolled in the school on October 1 of the previous year, or on October 1 of the current year for a charter school in the first year of operation, times the ratio of the sum of the alternative teacher compensation aid and alternative teacher compensation levy for all participating school districts to the maximum alternative teacher compensation revenue for those districts under subdivision 1.

(b) Notwithstanding paragraph (a) and subdivision 1, the state total basic alternative teacher compensation aid entitlement must not exceed \$75,840,000 for fiscal year 2016 and \$88,118,000 for fiscal year 2017 and later. The commissioner must limit the amount of alternative teacher compensation aid approved under this section so as not to exceed these limits by not approving new participants or by prorating the aid among participating districts, intermediate school districts, school sites, and charter schools. The commissioner may also reallocate a portion of the allowable aid for the biennium from the second year to the first year to meet the needs of approved participants.

(c) Basic alternative teacher compensation aid for an intermediate district or other cooperative unit equals \$3,000 times the number of licensed teachers employed by the intermediate district or cooperative unit on October 1 of the previous school year.

Sec. 2. **[122A.417] ALTERNATIVE TEACHER COMPENSATION REVENUE FOR ST. CROIX RIVER EDUCATION DISTRICT.**

Notwithstanding section 122A.415, subdivision 4, paragraph (c), the St. Croix River Education District, No. 6009-61, is eligible to receive alternative teacher compensation

revenue based on its staffing as of October 1 of the previous fiscal year. To qualify for alternative teacher compensation revenue, the St. Croix River Education District must meet all of the requirements of sections 122A.414 and 122A.415 that apply to cooperative units, must report its staffing as of October 1 of each year to the department in a manner determined by the commissioner, and must annually report by November 30 its expenditures for the alternative teacher professional pay system consistent with the uniform financial accounting and reporting standards to the department.

Sec. 3. **[122A.627] POSITIVE BEHAVIORAL INTERVENTIONS AND SUPPORTS.**

"Positive behavioral interventions and supports" or "PBIS" means an evidence-based framework for preventing problem behavior, providing instruction and support for positive and prosocial behaviors, and supporting social, emotional, and behavioral needs for all students. Schoolwide implementation of PBIS requires training, coaching, and evaluation for school staff to consistently implement the key components that make PBIS effective for all students, including:

(1) establishing, defining, teaching, and practicing three to five positively stated schoolwide behavioral expectations that are representative of the local community and cultures;

(2) developing and implementing a consistent system used by all staff to provide positive feedback and acknowledgment for students who display schoolwide behavioral expectations;

(3) developing and implementing a consistent and specialized support system for students who do not display behaviors representative of schoolwide positive expectations;

(4) developing a system to support decisions based on data related to student progress, effective implementation of behavioral practices, and screening for students requiring additional behavior supports;

(5) using a continuum of evidence-based interventions that is integrated and aligned to support academic and behavioral success for all students; and

(6) using a team-based approach to support effective implementation, monitor progress, and evaluate outcomes.

ARTICLE 4

SPECIAL EDUCATION

Section 1. Minnesota Statutes 2016, section 125A.0941, is amended to read:

125A.0941 DEFINITIONS.

(a) The following terms have the meanings given them.

(b) "Emergency" means a situation where immediate intervention is needed to protect a child or other individual from physical injury. Emergency does not mean circumstances such as: a child who does not respond to a task or request and instead places his or her head on a desk or hides under a desk or table; a child who does not respond to a staff person's request unless failing to respond would result in physical injury to the child or other individual; or an emergency incident has already occurred and no threat of physical injury currently exists.

(c) "Physical holding" means physical intervention intended to hold a child immobile or limit a child's movement, where body contact is the only source of physical restraint, and where immobilization is used to effectively gain control of a child in order to protect a child or other individual from physical injury. The term physical holding does not mean physical contact that:

(1) helps a child respond or complete a task;

(2) assists a child without restricting the child's movement;

(3) is needed to administer an authorized health-related service or procedure; or

(4) is needed to physically escort a child when the child does not resist or the child's resistance is minimal.

(d) "Positive behavioral interventions and supports" means interventions and strategies to improve the school environment and teach children the skills to behave appropriately, including the key components under section 122A.627.

(e) "Prone restraint" means placing a child in a face down position.

(f) "Restrictive procedures" means the use of physical holding or seclusion in an emergency. Restrictive procedures must not be used to punish or otherwise discipline a child.

(g) "Seclusion" means confining a child alone in a room from which egress is barred. Egress may be barred by an adult locking or closing the door in the room or preventing the child from leaving the room. Removing a child from an activity to a location where the child cannot participate in or observe the activity is not seclusion.

41.1 Sec. 2. Minnesota Statutes 2016, section 125A.515, is amended to read:

41.2 **125A.515 PLACEMENT OF STUDENTS; APPROVAL OF EDUCATION**
41.3 **PROGRAM.**

41.4 Subdivision 1. **Approval of on-site education programs.** The commissioner shall
41.5 approve on-site education programs for placement of children and youth in residential
41.6 facilities including detention centers, before being licensed by the Department of Human
41.7 Services or the Department of Corrections. Education programs in these facilities shall
41.8 conform to state and federal education laws including the Individuals with Disabilities
41.9 Education Act (IDEA). This section applies only to placements in children's residential
41.10 facilities licensed by the Department of Human Services or the Department of Corrections.
41.11 For purposes of this section, "on-site education program" means the educational services
41.12 provided directly on the grounds of the ~~care and treatment~~ children's residential facility to
41.13 children and youth placed for care and treatment.

41.14 Subd. 3. **Responsibilities for providing education.** (a) The district in which the children's
41.15 residential facility is located must provide education services, including special education
41.16 if eligible, to all students placed in a facility.

41.17 (b) For education programs operated by the Department of Corrections, the providing
41.18 district shall be the Department of Corrections. For students remanded to the commissioner
41.19 of corrections, the providing and resident district shall be the Department of Corrections.

41.20 Subd. 3a. **Students without a disability from other states.** A school district is not
41.21 required to provide education services under this section to a student who:

41.22 (1) is not a resident of Minnesota;

41.23 (2) does not have an individualized education program; and

41.24 (3) does not have a tuition arrangement or agreement to pay the cost of education from
41.25 the placing authority.

41.26 Subd. 4. **Education services required.** (a) Education services must be provided to a
41.27 student beginning within three business days after the student enters the ~~care and treatment~~
41.28 children's residential facility. The first four days of the student's placement may be used to
41.29 screen the student for educational and safety issues.

41.30 (b) If the student does not meet the eligibility criteria for special education, regular
41.31 education services must be provided to that student.

Subd. 5. **Education programs for students placed in children's residential facilities.**

(a) When a student is placed in a children's residential facility ~~approved~~ under this section that has an on-site education program, the providing district, upon notice from the ~~care and treatment~~ children's residential facility, must contact the resident district within one business day to determine if a student has been identified as having a disability, and to request at least the student's transcript, and for students with disabilities, the most recent individualized education program (IEP) and evaluation report, ~~and to determine if the student has been identified as a student with a disability~~. The resident district must send a facsimile copy to the providing district within two business days of receiving the request.

(b) If a student placed under this section has been identified as having a disability and has an individualized education program in the resident district:

(1) the providing agency must conduct an individualized education program meeting to reach an agreement about continuing or modifying special education services in accordance with the current individualized education program goals and objectives and to determine if additional evaluations are necessary; and

(2) at least the following people shall receive written notice or documented phone call to be followed with written notice to attend the individualized education program meeting:

(i) the person or agency placing the student;

(ii) the resident district;

(iii) the appropriate teachers and related services staff from the providing district;

(iv) appropriate staff from the children's residential facility;

(v) the parents or legal guardians of the student; and

(vi) when appropriate, the student.

(c) For a student who has not been identified as a student with a disability, a screening must be conducted by the providing districts as soon as possible to determine the student's educational and behavioral needs and must include a review of the student's educational records.

Subd. 6. **Exit report summarizing educational progress.** If a student has been placed in a facility under this section for 15 or more business days, the providing district must prepare an exit report summarizing the regular education, special education, evaluation, educational progress, and service information and must send the report to the resident district and the next providing district if different, the parent or legal guardian, and any appropriate

43.1 social service agency. For students with disabilities, this report must include the student's
43.2 IEP.

43.3 Subd. 7. **Minimum educational services required.** When a student is placed in a
43.4 children's residential facility ~~approved~~ under this section, at a minimum, the providing
43.5 district is responsible for:

43.6 (1) the education necessary, including summer school services, for a student who is not
43.7 performing at grade level as indicated in the education record or IEP; and

43.8 (2) a school day, of the same length as the school day of the providing district, unless
43.9 the unique needs of the student, as documented through the IEP or education record in
43.10 consultation with treatment providers, requires an alteration in the length of the school day.

43.11 Subd. 8. **Placement, services, and due process.** When a student's treatment and
43.12 educational needs allow, education shall be provided in a regular educational setting. The
43.13 determination of the amount and site of integrated services must be a joint decision between
43.14 the student's parents or legal guardians and the treatment and education staff. When
43.15 applicable, educational placement decisions must be made by the IEP team of the providing
43.16 district. Educational services shall be provided in conformance with the least restrictive
43.17 environment principle of the Individuals with Disabilities Education Act. The providing
43.18 district and ~~care and treatment~~ children's residential facility shall cooperatively develop
43.19 discipline and behavior management procedures to be used in emergency situations that
43.20 comply with the Minnesota Pupil Fair Dismissal Act and other relevant state and federal
43.21 laws and regulations.

43.22 Subd. 9. **Reimbursement for education services.** (a) Education services provided to
43.23 students who have been placed under this section are reimbursable in accordance with
43.24 special education and general education statutes.

43.25 (b) Indirect or consultative services provided in conjunction with regular education
43.26 prereferral interventions and assessment provided to regular education students suspected
43.27 of being disabled and who have demonstrated learning or behavioral problems in a screening
43.28 are reimbursable with special education categorical aids.

43.29 (c) Regular education, including screening, provided to students with or without
43.30 disabilities is not reimbursable with special education categorical aids.

43.31 Subd. 10. **Students unable to attend school but not covered under this section.**
43.32 Students who are absent from, or predicted to be absent from, school for 15 consecutive or
43.33 intermittent days, and placed at home or in facilities not licensed by the Departments of

Corrections or Human Services are entitled to regular and special education services consistent with this section or Minnesota Rules, part 3525.2325. These students include students with and without disabilities who are home due to accident or illness, in a hospital or other medical facility, or in a day treatment center.

ARTICLE 5

SELF-SUFFICIENCY AND LIFELONG LEARNING

Section 1. Minnesota Statutes 2016, section 124D.52, subdivision 7, is amended to read:

Subd. 7. **Performance tracking system.** (a) By July 1, 2000, each approved adult basic education program must develop and implement a performance tracking system to provide information necessary to comply with federal law and serve as one means of assessing the effectiveness of adult basic education programs. For required reporting, longitudinal studies, and program improvement, the tracking system must be designed to collect data on the following core outcomes for learners, including English learners, who have completed participating in the adult basic education program:

(1) demonstrated improvements in literacy skill levels in reading, writing, speaking the English language, numeracy, problem solving, English language acquisition, and other literacy skills;

(2) placement in, retention in, or completion of postsecondary education, training, unsubsidized employment, or career advancement;

(3) receipt of a secondary school diploma or its recognized equivalent; and

(4) reduction in participation in the diversionary work program, Minnesota family investment program; and food support education and training program.

(b) A district, group of districts, state agency, or private nonprofit organization providing an adult basic education program may meet this requirement by developing a tracking system based on either or both of the following methodologies:

(1) conducting a reliable follow-up survey; or

(2) submitting student information, including collected Social Security numbers for data matching.

~~Data related to obtaining employment must be collected in the first quarter following program completion or can be collected while the student is enrolled, if known. Data related to employment retention must be collected in the third quarter following program exit. Data~~

45.1 related to any ~~other~~ of the specified outcome outcomes may be collected at any time during
45.2 a program year.

45.3 (c) When a student in a program is requested to provide the student's Social Security
45.4 number, the student must be notified in a written form easily understandable to the student
45.5 that:

45.6 (1) providing the Social Security number is optional and no adverse action may be taken
45.7 against the student if the student chooses not to provide the Social Security number;

45.8 (2) the request is made under section 124D.52, subdivision 7;

45.9 (3) if the student provides the Social Security number, it will be used to assess the
45.10 effectiveness of the program by tracking the student's subsequent career; and

45.11 (4) the Social Security number will be shared with the Department of Education;
45.12 Minnesota State Colleges and Universities; Office of Higher Education; Department of
45.13 Human Services; and Department of Employment and Economic Development in order to
45.14 accomplish the purposes described in paragraph (a) and will not be used for any other
45.15 purpose or reported to any other governmental entities.

45.16 (d) Annually a district, group of districts, state agency, or private nonprofit organization
45.17 providing programs under this section must forward the tracking data collected to the
45.18 Department of Education. For the purposes of longitudinal studies on the employment status
45.19 of former students under this section, the Department of Education must forward the Social
45.20 Security numbers to the Department of Employment and Economic Development to
45.21 electronically match the Social Security numbers of former students with wage detail reports
45.22 filed under section 268.044. The results of data matches must, for purposes of this section
45.23 and consistent with the requirements of the ~~United States Code, title 29, section 2871, of~~
45.24 ~~the Workforce Investment Act of 1998~~ Workforce Innovation and Opportunity Act, be
45.25 compiled in a longitudinal form by the Department of Employment and Economic
45.26 Development and released to the Department of Education in the form of summary data
45.27 that does not identify the individual students. The Department of Education may release
45.28 this summary data. State funding for adult basic education programs must not be based on
45.29 the number or percentage of students who decline to provide their Social Security numbers
45.30 or on whether the program is evaluated by means of a follow-up survey instead of data
45.31 matching.

46.1 Sec. 2. Minnesota Statutes 2016, section 124D.549, is amended to read:

46.2 **124D.549 GENERAL EDUCATION DEVELOPMENT (GED) TESTS RULES;**
46.3 **COMMISSIONER COMMISSIONER-SELECTED HIGH SCHOOL EQUIVALENCY**
46.4 **TEST.**

46.5 The commissioner ~~may amend rules to reflect changes in the national minimum standard~~
46.6 ~~score for passing the general education development (GED) tests,~~ in consultation with the
46.7 adult basic education stakeholders, must select a high school equivalency test. The
46.8 commissioner may issue a high school equivalency diploma to a Minnesota resident 19
46.9 years of age or older who has not earned a high school diploma and who has not previously
46.10 been issued a GED and who has exceeded or achieved a minimum passing score on the
46.11 equivalency test established by the publisher. The commissioner of education may waive
46.12 the minimum age requirement if supportive evidence is provided by an employer or a
46.13 recognized education or rehabilitation provider.

46.14 Sec. 3. Minnesota Statutes 2016, section 124D.55, is amended to read:

46.15 **124D.55 GENERAL EDUCATION DEVELOPMENT (GED)**
46.16 **COMMISSIONER-SELECTED HIGH SCHOOL EQUIVALENCY TEST FEES.**

46.17 The commissioner shall pay 60 percent of the fee that is charged to an eligible individual
46.18 for the full battery of ~~general education development (GED)~~ the commissioner-selected
46.19 high school equivalency tests, but not more than \$40 for an eligible individual.

46.20 For fiscal year 2017 only, the commissioner shall pay 100 percent of the fee charged to
46.21 an eligible individual for the full battery of ~~general education development (GED)~~ the
46.22 commissioner-selected high school equivalency tests, but not more than the cost of one full
46.23 battery of tests per year for any individual.

46.24 Sec. 4. Minnesota Statutes 2016, section 256J.08, subdivision 38, is amended to read:

46.25 Subd. 38. **Full-time student.** "Full-time student" means a person who is enrolled in a
46.26 graded or ungraded primary, intermediate, secondary, ~~GED~~ commissioner of
46.27 education-selected high school equivalency preparatory, trade, technical, vocational, or
46.28 postsecondary school, and who meets the school's standard for full-time attendance.

46.29 Sec. 5. Minnesota Statutes 2016, section 256J.08, subdivision 39, is amended to read:

46.30 Subd. 39. ~~General educational development or GED~~ Commissioner of
46.31 education-selected high school equivalency. "General educational development" or "GED"

"Commissioner of education-selected high school equivalency" means the ~~general educational development~~ high school equivalency certification issued by the commissioner of education as an equivalent to a secondary school diploma under Minnesota Rules, part 3500.3100, subpart 4.

Sec. 6. **REVISOR'S INSTRUCTION.**

In Minnesota Statutes and Minnesota Rules, the revisor of statutes shall substitute the term "commissioner-selected high school equivalency" or similar term for "general education development," "GED," or similar terms for wherever the term refers to the tests or programs leading to a certification issued by the commissioner of education as an equivalency to a secondary diploma.

Sec. 7. **REPEALER.**

Minnesota Rules, part 3500.3100, subpart 4, is repealed.

ARTICLE 6

LIBRARIES

Section 1. Minnesota Statutes 2016, section 134.31, subdivision 2, is amended to read:

Subd. 2. **Advice and instruction.** The Department of Education shall give advice and instruction to the managers of any public library or to any governing body maintaining a library or empowered to do so by law upon any matter pertaining to the organization, maintenance, or administration of libraries. The department may also give advice and instruction, as requested, to postsecondary educational institutions, public school districts or charter schools, state agencies, governmental units, nonprofit organizations, or private entities. It shall assist, to the extent possible, in the establishment and organization of library service in those areas where adequate services do not exist, and may aid in improving previously established library services. The department shall also provide assistance to school districts, regional library systems, and member libraries interested in offering joint library services at a single location."

Amend the title accordingly