Senator ..... moves to amend S.F. No. 2698 as follows:

Delete everything after the enacting clause and insert:

"Section 1. **SPECIAL EDUCATION LEGISLATIVE WORKING GROUP.**

Subdivision 1. **Duties.** (a) A legislative working group on special education is created to review special education delivery and cost containment in Minnesota, to consult with stakeholders, and to submit a written report to the legislature recommending policy changes to reduce costs. The special education legislative working group must examine and consider:

(1) how school districts, charter schools, intermediate school districts, special education cooperatives, education districts, and service cooperatives deliver special education services and the costs associated with each model;

(2) relevant state and federal special education laws and regulations and where state mandates exceed federal requirements;

(3) trends in special education enrollment, the reasons for the increased proportion of Minnesota students receiving special education, and the role that reading instruction effectiveness plays;

(4) strategies or programs that would be effective in reducing the need for special education services;

(5) funding for nonresident children in accordance with Minnesota Statutes, sections 125A.11 and 127A.47, and tuition billing reports for the most recent five-year period;

(6) the effect of the 2013 statutory changes to the state special education funding formulas, including interactions and conformity with federal funding formulas;

(7) how school districts and charter schools use section 504 plans, including criteria used to determine when a section 504 plan is appropriate and the prevalence of section 504 plans in school districts and charter schools; and

(8) the 2013 evaluation report by the Office of the Legislative Auditor on special education and the status of implementing its recommendations.

(b) In making its recommendations, the special education legislative working group must consider a ten-year strategic plan informed by the policy findings in paragraph (a) to help reduce the costs contributing to the special education cross-subsidy and overall special education funding.

Subd. 2. **Membership.** (a) The legislative working group on special education consists of:

(1) six duly elected and currently serving members of the house of representatives, three appointed by the speaker of the house and three appointed by the house minority leader, one of whom must be the current chair of the house of representatives Education Innovation Policy Committee; and

(2) six duly elected and currently serving senators, three appointed by the senate majority leader and three appointed by the senate minority leader, one of whom must be the current chair of the senate Education Policy Committee.

(b) Only duly elected and currently serving members of the house of representatives or senate may be members of the special education legislative working group.

Subd. 3. **Organization; process; administrative and technical support.** The special education legislative working group appointments must be made by July 1, 2018. If a vacancy occurs, the leader of the caucus in the house of representatives or senate to which the vacating working group member belonged must fill the vacancy. The chair of the house of representatives Education Innovation Policy Committee shall serve as a cochair of the working group and shall convene the first meeting. The chair of the senate Education Policy Committee shall serve as a cochair of the working group. The working group must meet periodically. Meetings of the working group must be open to the public. The Legislative Coordinating Commission shall provide administrative assistance upon request. The Minnesota Department of Education must provide technical assistance upon request.

Subd. 4. **Consultation with stakeholders.** In developing its recommendations, the special education legislative working group must consult with interested and affected stakeholders, including representatives of the Association of Metropolitan School Districts, Education Minnesota, Minnesota Association of School Administrators, Minnesota School Boards Association, Minnesota Rural Education Association, Schools for Equity in Education, Minnesota Administrators for Special Education, NAMI Minnesota, PACER Center, Arc Minnesota, Autism Society of Minnesota, Minnesota Association of School Business Officials, and Minnesota Association of Charter Schools.

Subd. 5. **Report.** The special education legislative working group must submit a report providing its findings and policy recommendations to the legislature by January 15, 2019.

Subd. 6. **Expiration.** The special education legislative working group expires on January 16, 2019, unless extended by law.

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

Delete the title and insert:

"A bill for an act

relating to education; establishing the special education legislative working group; requiring legislative appointments; requiring consultation with stakeholders and a report of recommendations."