

STATE OF MINNESOTA

EIGHTY-EIGHTH SESSION — 2014

SEVENTY-FIFTH DAY

SAINT PAUL, MINNESOTA, MONDAY, MARCH 24, 2014

The House of Representatives convened at 3:00 p.m. and was called to order by Paul Thissen, Speaker of the House.

Prayer was offered by the Reverend Dennis Morreim, Cloquet, Minnesota.

The members of the House gave the pledge of allegiance to the flag of the United States of America.

The roll was called and the following members were present:

Abeler	Dehn, R.	Hansen	Lesch	Myhra	Schoen
Albright	Dettmer	Hausman	Liebling	Nelson	Schomacker
Allen	Dill	Hertaus	Lien	Newberger	Scott
Anderson, M.	Dorholt	Hilstrom	Lillie	Newton	Selcer
Anderson, P.	Drazkowski	Holberg	Loeffler	Nornes	Simon
Anderson, S.	Erhardt	Hoppe	Lohmer	Norton	Simonson
Anzelc	Erickson, R.	Hornstein	Loon	O'Driscoll	Slocum
Atkins	Erickson, S.	Hortman	Mack	O'Neill	Sundin
Barrett	Fabian	Howe	Mahoney	Paymar	Swedzinski
Beard	Falk	Huntley	Mariani	Pelowski	Theis
Benson, J.	Faust	Isaacson	Marquart	Peppin	Torkelson
Benson, M.	Fischer	Johnson, B.	Masin	Persell	Uglen
Bernardy	FitzSimmons	Johnson, C.	McDonald	Petersburg	Urdahl
Bly	Franson	Johnson, S.	McNamar	Poppe	Wagenius
Brynaert	Freiberg	Kahn	McNamara	Pugh	Ward, J.A.
Carlson	Fritz	Kelly	Melin	Quam	Ward, J.E.
Clark	Garofalo	Kieffer	Metsa	Radinovich	Wills
Cornish	Green	Kiel	Moran	Rosenthal	Winkler
Daudt	Gruenhagen	Kresha	Morgan	Runbeck	Woodard
Davids	Gunther	Laine	Mullery	Sanders	Yarusso
Davnie	Halverson	Leidiger	Murphy, E.	Savick	Zerwas
Dean, M.	Hamilton	Lenczewski	Murphy, M.	Sawatzky	Spk. Thissen

A quorum was present.

Hackbarth and Zellers were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. There being no objection, further reading of the Journal was dispensed with and the Journal was approved as corrected by the Chief Clerk.

REPORTS OF STANDING COMMITTEES AND DIVISIONS

Mariani from the Committee on Education Policy to which was referred:

H. F. No. 925, A bill for an act relating to education; clarifying school districts' ability to request department assistance; amending Minnesota Statutes 2012, section 127A.18.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Mahoney from the Committee on Jobs and Economic Development Finance and Policy to which was referred:

H. F. No. 1860, A bill for an act relating to taxation; providing tax credits to encourage charitable contributions; establishing an Endow Minnesota program; authorizing rulemaking; appropriating money; amending Minnesota Statutes 2012, sections 290.06, by adding a subdivision; 297I.20, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 116J.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Taxes.

The report was adopted.

Atkins from the Committee on Commerce and Consumer Protection Finance and Policy to which was referred:

H. F. No. 1872, A bill for an act relating to health; setting requirements for the use of maximum allowable cost pricing; setting requirements for the designation of specialty drugs and the filling of specialty drug prescriptions; allowing community/outpatient and long-term care pharmacies to fill mail-order or extended days supply prescriptions; setting requirements for the use of pharmacy utilization and claims data; proposing coding for new law in Minnesota Statutes, chapter 151.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **[151.71] MAXIMUM ALLOWABLE COST PRICING.**

Subdivision 1. Definitions. (a) For purposes of this section, the following terms have the meanings given.

(b) "Health plan company" has the meaning provided in section 62Q.01, subdivision 4.

(c) "Pharmacy benefit manager" means an entity doing business in this state that contracts to administer or manage prescription drug benefits on behalf of any health plan company that provides prescription drug benefits to residents of this state.

Subd. 2. Pharmacy benefit manager contracts with pharmacies; maximum allowable cost pricing. (a) In each contract between a pharmacy benefit manager and a pharmacy, the pharmacy shall be given the right to obtain from the pharmacy benefit manager a current list of the sources used to determine maximum allowable cost pricing. The pharmacy benefit manager shall update the pricing information at least every seven business days and provide a

means by which contracted pharmacies may promptly review current prices in an electronic, print, or telephonic format within one business day at no cost to the pharmacy. A pharmacy benefit manager shall maintain a procedure to eliminate products from the list of drugs subject to maximum allowable cost pricing in a timely manner in order to remain consistent with changes in the marketplace.

(b) In order to place a prescription drug on a maximum allowable cost list, a pharmacy benefit manager shall ensure that the drug is generally available for purchase by pharmacies in this state from a national or regional wholesaler and is not obsolete.

(c) Each contract between a pharmacy benefit manager and a pharmacy must include a process to appeal, investigate, and resolve disputes regarding maximum allowable cost pricing that includes:

(1) a 15-business day limit on the right to appeal following the initial claim;

(2) a requirement that the appeal be investigated and resolved within seven business days after the appeal; and

(3) a requirement that a pharmacy benefit manager provide a reason for any appeal denial and identify the national drug code of a drug that may be purchased by the pharmacy at a price at or below the maximum allowable cost price as determined by the pharmacy benefit manager.

(d) If the appeal is upheld, the pharmacy benefit manager shall make an adjustment to the maximum allowable cost price no later than one business day after the date of determination. The pharmacy benefit manager shall make the price adjustment applicable to all similarly situated network pharmacy providers as defined by the plan sponsor.

EFFECTIVE DATE. This section is effective January 1, 2015."

Delete the title and insert:

"A bill for an act relating to health; disclosing maximum allowable cost pricing used by pharmacy benefit managers; proposing coding for new law in Minnesota Statutes, chapter 151."

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Paymar from the Committee on Public Safety Finance and Policy to which was referred:

H. F. No. 1940, A bill for an act relating to data practices; booking photographs; amending Minnesota Statutes 2012, section 13.82, subdivision 26; proposing coding for new law in Minnesota Statutes, chapter 325E.

Reported the same back with the following amendments:

Page 2, line 17, delete "This subdivision does" and insert "The provisions of paragraphs (c) to (e) do"

Page 2, line 21, after "proceeding" insert ", or to a bona fide news organization or producer of news features"

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Atkins from the Committee on Commerce and Consumer Protection Finance and Policy to which was referred:

H. F. No. 1952, A bill for an act relating to telecommunications; consumer protection; requiring "kill switch" functionality for smart phones to deter theft; proposing coding for new law in Minnesota Statutes, chapter 325F.

Reported the same back with the following amendments:

Page 1, line 13, after the period, insert "Smart phone does not include an electronic reader, tablet, or other similar device not primarily intended for two-way voice communication."

Page 1, line 15, after "data" insert "to authenticate and identify subscribers on a network"

Page 1, line 22, delete "functionality that can" and insert "technology designed to" and delete "smart phone" and insert "device"

Page 1, line 23, delete "completely"

Page 1, line 24, after "must" insert "be designed to"

Page 2, delete line 1 and insert "(1) lock all of the smart phone's user data, and ensure that it is only accessible to the user or a law enforcement officer subject to a valid search warrant;"

Page 2, line 2, delete "completely" and insert "core functionality"

Page 2, line 4, delete "or reprogrammed"

Page 2, line 5, delete the semicolon and insert ". even if the device is reprogrammed, is turned off and subsequently turned back on, has its network connectivity disabled and subsequently re-enabled, or has its SIM card removed; and"

Page 2, delete lines 6 and 7

Page 2, line 8, delete "(5)" and insert "(4)"

Page 2, line 23, delete "January" and insert "July"

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Dill from the Committee on Environment and Natural Resources Policy to which was referred:

H. F. No. 2109, A bill for an act relating to water; requiring conservation rate structures under certain conditions; amending Minnesota Statutes 2012, section 103G.291, subdivisions 3, 4.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2012, section 103G.271, subdivision 6, is amended to read:

Subd. 6. **Water use permit processing fee.** (a) Except as described in paragraphs (b) to ~~(f)~~ (g), a water use permit processing fee must be prescribed by the commissioner in accordance with the schedule of fees in this subdivision for each water use permit in force at any time during the year. Fees collected under this paragraph are credited to the water management account in the natural resources fund. The schedule is as follows, with the stated fee in each clause applied to the total amount appropriated:

- (1) \$140 for amounts not exceeding 50,000,000 gallons per year;
- (2) \$3.50 per 1,000,000 gallons for amounts greater than 50,000,000 gallons but less than 100,000,000 gallons per year;
- (3) \$4 per 1,000,000 gallons for amounts greater than 100,000,000 gallons but less than 150,000,000 gallons per year;
- (4) \$4.50 per 1,000,000 gallons for amounts greater than 150,000,000 gallons but less than 200,000,000 gallons per year;
- (5) \$5 per 1,000,000 gallons for amounts greater than 200,000,000 gallons but less than 250,000,000 gallons per year;
- (6) \$5.50 per 1,000,000 gallons for amounts greater than 250,000,000 gallons but less than 300,000,000 gallons per year;
- (7) \$6 per 1,000,000 gallons for amounts greater than 300,000,000 gallons but less than 350,000,000 gallons per year;
- (8) \$6.50 per 1,000,000 gallons for amounts greater than 350,000,000 gallons but less than 400,000,000 gallons per year;
- (9) \$7 per 1,000,000 gallons for amounts greater than 400,000,000 gallons but less than 450,000,000 gallons per year;
- (10) \$7.50 per 1,000,000 gallons for amounts greater than 450,000,000 gallons but less than 500,000,000 gallons per year; and
- (11) \$8 per 1,000,000 gallons for amounts greater than 500,000,000 gallons per year.

(b) For once-through cooling systems, a water use processing fee must be prescribed by the commissioner in accordance with the following schedule of fees for each water use permit in force at any time during the year:

- (1) for nonprofit corporations and school districts, \$200 per 1,000,000 gallons; and
 - (2) for all other users, \$420 per 1,000,000 gallons.
- (c) The fee is payable based on the amount of water appropriated during the year and, except as provided in paragraph (f), the minimum fee is \$100.
- (d) For water use processing fees other than once-through cooling systems:
- (1) the fee for a city of the first class may not exceed \$250,000 per year;

(2) the fee for other entities for any permitted use may not exceed:

- (i) \$60,000 per year for an entity holding three or fewer permits;
- (ii) \$90,000 per year for an entity holding four or five permits; or
- (iii) \$300,000 per year for an entity holding more than five permits;

(3) the fee for agricultural irrigation may not exceed \$750 per year;

(4) the fee for a municipality that furnishes electric service and cogenerates steam for home heating may not exceed \$10,000 for its permit for water use related to the cogeneration of electricity and steam; and

(5) no fee is required for a project involving the appropriation of surface water to prevent flood damage or to remove flood waters during a period of flooding, as determined by the commissioner.

(e) Failure to pay the fee is sufficient cause for revoking a permit. A penalty of \$150 per month or two percent per month, whichever is greater, calculated from the original due date must be imposed on the unpaid balance of fees remaining 30 days after the sending of a second notice of fees due. A fee may not be imposed on an agency, as defined in section 16B.01, subdivision 2, or federal governmental agency holding a water appropriation permit.

(f) The minimum water use processing fee for a permit issued for irrigation of agricultural land is \$20 for years in which:

- (1) there is no appropriation of water under the permit; or
- (2) the permit is suspended for more than seven consecutive days between May 1 and October 1.

(g) The commissioner shall waive the water use permit processing fee for installations that use stormwater runoff from impervious services unless the commissioner determines that the proposed use adversely affects surface water or groundwater to a significant extent.

~~(g)~~ (h) A surcharge of \$30 per million gallons in addition to the fee prescribed in paragraph (a) shall be applied to the volume of water used in each of the months of June, July, and August that exceeds the volume of water used in January for municipal water use, irrigation of golf courses, and landscape irrigation. The surcharge for municipalities with more than one permit shall be determined based on the total appropriations from all permits that supply a common distribution system.

Sec. 2. **NORTH AND EAST METRO GROUNDWATER MANAGEMENT AREA PILOT PROGRAM.**

Subdivision 1. Alternative water use fees. Notwithstanding Minnesota Statutes, section 103G.271, subdivision 6, the commissioner of natural resources, in consultation with public water suppliers and other permitted water users within the north and east metro groundwater management area, may establish alternative water use permit fees that encourage water conservation in the area. Alternative water use fees may include:

(1) discounted rates for public water suppliers that demonstrate lower per capita domestic water use;

(2) discounted rates for permitted users that demonstrate the use of conservation measures that have lowered water use; and

(3) credits for permitted users that have utilized methods to reuse or allow others to reuse water that replaces the use of groundwater.

The commissioner shall ensure that alternative water use fees implemented under this section do not raise significantly more or less revenue than the fees that would otherwise be collected under Minnesota Statutes, section 103G.271, subdivision 6.

Subd. 2. **Surcharge.** Upon the request of the North and East Metro Groundwater Management Area Project Advisory Team, the commissioner of natural resources may establish a surcharge not to exceed \$..... per 1,000,000 gallons to be added to water use fees collected under Minnesota Statutes, section 103G.271, subdivision 6, or alternative water use fees under subdivision 1. The surcharge may be structured similar to conservation rates to promote conservation. Revenues raised by a surcharge established under this subdivision shall be deposited in the water management account in the natural resources fund and are appropriated to the Public Facilities Authority for purposes of subdivision 3.

Subd. 3. **Grants.** The Public Facilities Authority, in consultation with the commissioner of natural resources, may award grants to governmental units for projects within the north and east metro groundwater management area that will reduce the use of groundwater in the area, including transitioning water use from groundwater to surface and aquifer augmentation. Grants awarded under this subdivision may supplement grants or loans awarded under Minnesota Statutes, chapter 446A.

Subd. 4. **Revenue bonds.** For the purposes of making grants under subdivision 3, the Public Facilities Authority may sell and issue revenue bonds payable from the surcharge imposed under subdivision 2. The commissioner of natural resources and the authority must enter into an agreement for transfer of surcharge revenues to a debt service reserve fund established by the authority for repayment of the bonds. The revenue bonds must be sold and issued following the procedures in Minnesota Statutes, chapter 446A. The principal amount of bonds issued and outstanding under this subdivision may not exceed \$....., excluding bonds for which refunding bonds or crossover refunding bonds have been issued. The authority to issue revenue bonds in this subdivision is in addition to the authority in Minnesota Statutes, section 446A.12, subdivision 1."

Delete the title and insert:

"A bill for an act relating to water; modifying water use permit provisions; creating pilot program to encourage water conservation; appropriating money; amending Minnesota Statutes 2012, section 103G.271, subdivision 6."

With the recommendation that when so amended the bill be re-referred to the Committee on Environment, Natural Resources and Agriculture Finance.

The report was adopted.

Paymar from the Committee on Public Safety Finance and Policy to which was referred:

H. F. No. 2281, A bill for an act relating to public safety; specifying that driving while impaired constitutes a breach of the peace for purposes of the Constitution; proposing coding for new law in Minnesota Statutes, chapter 169A.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Civil Law.

The report was adopted.

Mullery from the Committee on Early Childhood and Youth Development Policy to which was referred:

H. F. No. 2294, A bill for an act relating to corrections; authorizing a study of the effectiveness of risk assessment tools and the incarceration and release of juveniles.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Judiciary Finance and Policy.

The report was adopted.

Nelson from the Committee on Government Operations to which was referred:

H. F. No. 2315, A bill for an act relating to agriculture; authorizing industrial hemp research in accordance with federal law; authorizing rulemaking; proposing coding for new law as Minnesota Statutes, chapter 18K.

Reported the same back with the following amendments:

Page 1, after line 23, insert:

"Sec. 3. **REPORT REQUIRED.**

No later than January 15, 2015, the commissioner of agriculture must report to the legislative committees with jurisdiction over agriculture finance proposed legislation to implement sections 1 and 2, including a fee structure that complies with Minnesota Statutes, section 16A.1285, and is sufficient to cover the commissioner's costs. The commissioner must use funds previously appropriated to the commissioner for fiscal year 2014 or 2015 to carry out this section.

Sec. 4. **EFFECTIVE DATE.**

Sections 1 and 2 are effective July 1, 2015."

Amend the title as follows:

Page 1, line 3, after the second semicolon, insert "requiring a report;"

With the recommendation that when so amended the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Hornstein from the Committee on Transportation Finance to which was referred:

H. F. No. 2395, A bill for an act relating to transportation; capital investment; taxes; amending provisions governing transportation finance; establishing gross receipts motor fuels tax; amending metropolitan area transit sales tax; authorizing sale and issuance of trunk highway bonds; appropriating money; amending Minnesota Statutes 2012, sections 162.07, subdivision 1a; 296A.061; 296A.11; 296A.12; 296A.16; 297A.992; 473.167; 473.915; Minnesota Statutes 2013 Supplement, sections 174.42, by adding a subdivision; 297A.815, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 161; 174; 296A; 297A; 473.

Reported the same back with the following amendments:

Page 3, after line 30, insert:

"Sec. 2. Minnesota Statutes 2012, section 296A.07, subdivision 3, is amended to read:

Subd. 3. **Rate of tax.** (a) The gasoline excise tax is imposed at the following rates:

- (1) E85 is taxed at the rate of 17.75 cents per gallon;
- (2) M85 is taxed at the rate of 14.25 cents per gallon; and
- (3) all other gasoline is taxed at the rate of 25 cents per gallon.

(b) Notwithstanding the provisions of paragraph (a), the gasoline excise tax is imposed at the following rates beginning on the date the tax under section 296A.085 takes effect:

- (1) E85 is taxed at the rate of 14.2 cents per gallon;
- (2) M85 is taxed at the rate of 11.4 cents per gallon; and
- (3) all other gasoline is taxed at the rate of 20 cents per gallon.

Sec. 3. Minnesota Statutes 2012, section 296A.08, subdivision 2, is amended to read:

Subd. 2. **Rate of tax.** The special fuel excise tax is imposed at the following rates:

- (a) Liquefied petroleum gas or propane is taxed at the rate of 18.75 cents per gallon.
- (b) Liquefied natural gas is taxed at the rate of 15 cents per gallon.
- (c) Compressed natural gas is taxed at the rate of \$2.174 per thousand cubic feet; or 25 cents per gasoline equivalent. For purposes of this paragraph, "gasoline equivalent," as defined by the National Conference on Weights and Measures, is 5.66 pounds of natural gas.
- (d) All other special fuel is taxed at the same rate as the gasoline excise tax as specified in section 296A.07, subdivision 2. The tax is payable in the form and manner prescribed by the commissioner.

(e) Notwithstanding the provisions of paragraphs (a) to (c), the following rates apply beginning on the date the tax under section 296A.085 takes effect:

- (1) liquefied petroleum gas or propane is taxed at the rate of 15 cents per gallon;
- (2) liquefied natural gas is taxed at the rate of 12 cents per gallon; and
- (3) compressed natural gas is taxed at the rate of \$1.74 per thousand cubic feet; or 20 cents per gasoline equivalent. For purposes of this paragraph, "gasoline equivalent," as defined by the National Conference on Weights and Measures, is 5.66 pounds of natural gas."

Page 8, delete section 1 and insert:

"Section 1. Minnesota Statutes 2012, section 297A.992, is amended to read:

297A.992 METROPOLITAN ~~TRANSPORTATION~~ AREA TRANSIT SALES TAX; JOINT POWERS BOARD.

Subdivision 1. **Definitions.** For purposes of this section, the following terms have the meanings given them:

(1) "baseline sales tax proceeds" means (i) the proceeds from the sales and use taxes imposed under subdivision 2, plus (ii) one quarter of one percent of the total proceeds from the sales and use taxes imposed under subdivision 2a and collected in Scott or Carver County;

(2) "metropolitan ~~transportation~~ area" means the counties ~~participating in the joint powers agreement under subdivision 3;~~

(2) "eligible county" means ~~the county~~ of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, ~~or~~ and Washington;

(3) "committee" means the Grant Evaluation and Ranking System (GEARS) Committee;

(4) "minimum guarantee county" means ~~any metropolitan county or eligible county that is participating in the joint powers agreement under subdivision 3, whose proportion of the annual sales tax revenue under this section collected within that county is less than or equal to three percent; and~~

(4) "net transit sales tax proceeds" means the total proceeds from the sales and use taxes imposed under this section, less (i) the baseline sales tax proceeds, and (ii) the deductions identified under subdivision 8; and

(5) "population" means the population, as defined in section 477A.011, subdivision 3, estimated or established by July 15 of the year prior to the calendar year in which the representatives will serve on the Grant Evaluation and Ranking System Committee established under subdivision 5.

Subd. 2. **Authorization; rates.** (a) Notwithstanding section 297A.99, subdivisions 1, 2, and 3, or 477A.016, or any other law, the board of a county participating in a joint powers agreement as specified in this section shall impose by resolution (1) a ~~transportation~~ transit sales and use tax at a rate of one-quarter of one percent on retail sales and uses taxable under this chapter, and (2) an excise tax of \$20 per motor vehicle, as defined in section 297B.01, subdivision 11, purchased or acquired from any person engaged in the business of selling motor vehicles at retail, occurring within the jurisdiction of the taxing authority. The taxes authorized are to fund transportation improvements as specified in this section, including debt service on obligations issued to finance such improvements pursuant to subdivision 7.

(b) The tax imposed under this section is not included in determining if the total tax on lodging in the city of Minneapolis exceeds the maximum allowed tax under Laws 1986, chapter 396, section 5, as amended by Laws 2001, First Special Session chapter 5, article 12, section 87, or in determining a tax that may be imposed under any other limitations.

Subd. 2a. **Additional tax; rates.** (a) A local sales tax is imposed in the metropolitan counties, as defined in section 473.121, subdivision 4. In order to maintain the same rate across the region, the tax is imposed in each county as follows:

(1) effective for sales and purchases made after June 30, 2014, a sales and use tax on retail sales and uses taxable under this chapter, at a rate equal to one percent minus the tax rate imposed by each county under subdivision 2; and

(2) effective for vehicles acquired after June 30, 2014, if not imposed by a county under subdivision 2, an excise tax of \$20 per motor vehicle, as defined in section 297B.01, subdivision 11, purchased or acquired from any person engaged in the business of selling motor vehicles at retail, occurring within the jurisdiction of the county.

(b) The taxes imposed under this subdivision are not included in determining if the total tax on lodging in the city of Minneapolis exceeds the maximum allowed tax under Laws 1986, chapter 396, section 5, as amended by Laws 2001, First Special Session chapter 5, article 12, section 87, and Laws 2012, chapter 299, article 3, section 3, or in determining a tax that may be imposed under any other limitations.

Subd. 3. **Joint powers agreement.** ~~(a) Before imposing the taxes authorized in subdivision 2, an eligible a~~ county must declare by resolution of its county board to ~~be part of the metropolitan transportation area and must~~ enter into a joint powers agreement. The joint powers agreement:

(1) must form a joint powers board, as specified in subdivision 4;

(2) must provide a process that allows ~~any eligible a~~ county in the metropolitan area, by resolution of its county board, to join the joint powers board and impose the taxes authorized in subdivision 2;

(3) may provide for withdrawal of a participating county before final termination of the agreement; and

(4) may provide for a weighted voting system for joint powers board decisions.

(b) All counties in the metropolitan area shall enter into an amended joint powers agreement that conforms to the provisions of this section.

Subd. 4. **Joint powers board.** (a) The joint powers board must consist of one or more commissioners of each county ~~that is~~ in the metropolitan ~~transportation~~ area, appointed by its county board, and the chair of the Metropolitan Council, who must have voting rights, subject to subdivision 3, clause (4). The joint powers board has the powers and duties provided in this section and section 471.59.

(b) The joint powers board may utilize (1) no more than three-fourths of one percent of the baseline transit sales tax proceeds ~~of the taxes imposed under this section~~ for ordinary administrative expenses incurred in carrying out the provisions of this section, and (2) an amount as provided in subdivision 5a, paragraph (f). Any additional administrative expenses must be paid by the participating counties.

(c) The joint powers board may establish a technical advisory group that is separate from the GEARS Committee. The group must consist of representatives of cities, counties, or public agencies, including the Metropolitan Council. The technical advisory group must be used solely for technical consultation purposes.

(d) The chair of the joint powers board must be a county commissioner who is elected by the board.

Subd. 5. **Grant application and awards; Grant Evaluation and Ranking System (GEARS) Committee process, general requirements.** (a) The joint powers board shall establish a grant application process and identify the amount of available funding for grant awards. Grant applications must be submitted in a form prescribed by the joint powers board. An applicant must provide, in addition to all other information required by the joint powers board, the estimated cost of the project, the amount of the grant sought, possible sources of funding in addition to the grant sought, and identification of any federal funds that will be utilized if the grant is awarded. A grant application seeking transit capital funding must identify the source of money necessary to operate the transit improvement.

(b) The joint powers board shall establish a timeline and procedures for the award of grants, and may award grants only to the state and political subdivisions. The board shall define objective criteria for the award of grants, which must include, but not be limited to, consistency with the most recent version of the transportation policy plan adopted by the Metropolitan Council under section 473.146. The joint powers board shall maximize the availability and use of federal funds in projects funded under this section.

(c) Grants must be funded by the proceeds of the taxes imposed under this section, or by bonds, notes, or other obligations issued by the joint powers board under subdivision 7.

Subd. 5a. Grant awards; Grant Evaluation and Ranking System (GEARS) Committee. (a) The joint powers board shall establish a GEARS Committee, which must consist of:

(1) one county commissioner from each county ~~that is in the metropolitan transportation~~ area, appointed by its county board;

(2) one elected city representative from each county ~~that is in the metropolitan transportation~~ area;

(3) one additional elected city representative from each county for every additional 400,000 in population, or fraction of 400,000, in the county that is above 400,000 in population; and

(4) the chair of the Metropolitan Council Transportation Committee.

~~(d)~~ (b) Each city representative must be elected at a meeting of cities in the metropolitan ~~transportation~~ area, which must be convened for that purpose by the Association of Metropolitan Municipalities.

~~(e)~~ (c) The committee shall:

(1) evaluate grant applications following objective criteria established by the joint powers board, ~~and must;~~

(2) provide to the joint powers board a selection list of transportation projects that includes a priority ranking;

(3) annually evaluate and award grants to local units of government, including park districts for construction and maintenance of regional bicycle, trail, and pedestrian infrastructure, and for safe routes to school infrastructure; and

(4) annually evaluate and award grants to cities for planning activities related to land use and transportation linkages, streetcar development, or bicycle and pedestrian connections.

(d) Grants awarded by the committee under paragraph (c), clauses (3) and (4), are not subject to approval by the board. Annually, the committee shall award grants under those clauses in a total amount that equals no less than ten percent of the net transit sales tax proceeds.

(e) The committee may award a grant under paragraph (c), clause (3), only if the project being funded is in compliance with:

(1) a regional nonmotorized transportation system plan developed by the Metropolitan Council; or

(2) a municipal nonmotorized transportation plan, which must provide coordinated development of transportation facilities located in adjacent communities, including connections between facilities in each community.

(f) The board may utilize no more than an amount equal to three-fourths of one percent of the total grant awards under paragraph (c) for ordinary administrative expenses incurred in carrying out the provisions of this subdivision.

Subd. 5b. Grant awards; consistency with transportation plans. (f) A grant award for a transit project located within the metropolitan area, as defined in section 473.121, subdivision 2, may be funded only after the Metropolitan Council reviews the project for consistency with the transit portion of the Metropolitan Council policy plan and one of the following occurs:

(1) the Metropolitan Council finds the project to be consistent;

(2) the Metropolitan Council initially finds the project to be inconsistent, but after a good faith effort to resolve the inconsistency through negotiations with the joint powers board, agrees that the grant award may be funded; or

(3) the Metropolitan Council finds the project to be inconsistent, and submits the consistency issue for final determination to a panel, which determines the project to be consistent. The panel is composed of a member appointed by the chair of the Metropolitan Council, a member appointed by the joint powers board, and a member agreed upon by both the chair and the joint powers board.

~~(g) Grants must be funded by the proceeds of the taxes imposed under this section, bonds, notes, or other obligations issued by the joint powers board under subdivision 7.~~

~~(h) Notwithstanding the provisions of this section except subdivision 6a, of the revenue collected under this section, the joint powers board shall allocate to the Metropolitan Council, in fiscal years 2012 and 2013, an amount not less than 75 percent of the net cost of operations for those transitways that were receiving metropolitan sales tax funds through an operating grant agreement on June 30, 2011.~~

~~(i) The Metropolitan Council shall expend any funds allocated under paragraph (h) for the operations of the specified transitways solely within those counties that are in the metropolitan transportation area.~~

~~(j) Nothing in paragraph (h) or (i) prevents grant awards to the Metropolitan Council for capital and operating assistance for transitways and park and ride facilities.~~

Subd. 6. **Allocation of Grant awards; eligible uses.** (a) The board must allocate grant awards only for the following transit purposes transitway development, consisting of:

(i) capital improvements to transitways, including, but not limited to, commuter rail rolling stock, light rail vehicles, and transitway buses;

(ii) capital costs for park-and-ride facilities, as defined in section 174.256, subdivision 2; and

(iii) feasibility studies, planning, alternatives analyses, environmental studies, engineering, property acquisition for transitway purposes, and construction of transitways; ~~and~~

~~(iv) operating assistance for transitways.~~

(b) The joint powers board must ~~annually~~ award grants ~~to each minimum guarantee county in an amount no less than the amount of sales tax revenue collected within that county as follows:~~

(1) to Scott County and Carver County, 55 percent of the net sales tax proceeds generated by one-quarter of one percent collected in each county respectively for calendar years 2015 to 2019;

(2) to the Metropolitan Council for development and construction of the Southwest light rail transit project and the Bottineau Boulevard, Cedar Avenue, Riverview, Robert Street, Red Rock, Gateway, I-35W South, I-394 Commuter Corridor, and Rush Line transitways; and

(3) to the counties for transit and transportation purposes in an amount that equals no less than one-sixth of the net transit sales tax proceeds, to be distributed to each county proportionally based on the sales and use tax proceeds under this section generated in that county divided by the total sales and use taxes generated in the metropolitan area. Hennepin County shall use its entire grant award under this section for transit purposes.

~~(c) No more than 1.25 percent of the total awards may be annually allocated for planning, studies, design, construction, maintenance, and operation of pedestrian programs and bicycle programs and pathways.~~

Subd. 6a. **Priority of fund uses.** The joint powers board shall allocate all revenues from the taxes imposed under this section in conformance with the following priority order:

(1) payment of debt service necessary for the fiscal year on bonds or other obligations ~~issued prior to January 1, 2011~~, under subdivision 7; and

(2) as otherwise authorized under this section.

Subd. 7. **Bonds.** (a) The joint powers board or any county, acting under a joint powers agreement as specified in this section, may, by resolution, authorize, issue, and sell its bonds, notes, or other obligations for the purpose of funding grants under subdivision 6. The joint powers board or county may also, by resolution, issue bonds to refund the bonds issued pursuant to this subdivision.

(b) The bonds of the joint powers board must be limited obligations, payable solely from or secured by taxes levied under this section.

(c) The bonds of any county may be limited obligations, payable solely from or secured by taxes levied under this section. A county may also pledge its full faith, credit, and taxing power as additional security for the bonds.

(d) Bonds may be issued in one or more series and sold without an election. The bonds shall be secured, bear the interest rate or rates or a variable rate, have the rank or priority, be executed in the manner, be payable in the manner, mature, and be subject to the defaults, redemptions, repurchases, tender options, or other terms, and shall be sold in such manner as the joint powers board, the regional railroad authority, or the county may determine.

(e) The joint powers board or any regional railroad authority or any county may enter into and perform all contracts deemed necessary or desirable by it to issue and secure the bonds, including an indenture of trust with a trustee within or without the state.

(f) Except as otherwise provided in this subdivision, the bonds must be issued and sold in the manner provided under chapter 475.

(g) The joint powers board or any regional railroad authority wholly within the metropolitan transportation area also may authorize, issue, and sell its bonds, notes, or other obligations for the purposes, and in accordance with the procedures, set forth in section 398A.07 to fund grants as provided in subdivision 6. The bonds of any regional railroad authority may be limited obligations, payable solely from or secured by taxes levied under this section. A regional railroad authority may also pledge its taxing powers as additional security for the bonds.

Subd. 8. **Allocation Remittance of revenues.** After the deductions allowed in section 297A.99, subdivision 11, the commissioner of revenue shall remit ~~the proceeds of the taxes imposed under this section;~~ (1) the baseline sales tax proceeds, on a monthly basis, as directed by the joint powers board under this section; and (2) the remaining proceeds of the sales and use taxes imposed under this section, as provided under section 297A.9925.

Subd. 9. **Administration, collection, enforcement.** Except as otherwise provided in this section, the provisions of section 297A.99, subdivisions 4 and 6 to 12a, govern the administration, collection, and enforcement of the tax authorized under this section.

Subd. 10. **Termination of local option taxes.** (a) The taxes imposed under ~~section 297A.99, subdivision 1, subdivision 2~~ by a county that withdraws from the joint powers agreement pursuant to subdivision 3, clause (3), shall terminate when the county has satisfied its portion, as defined in the joint powers agreement, of all outstanding bonds or obligations entered into while the county was a member of the agreement.

(b) If the joint powers agreement under subdivision 3 is terminated, the taxes imposed under ~~section 297A.99, subdivision 1, subdivision 2~~ at the time of the agreement termination will terminate when all outstanding bonds or obligations are satisfied. The auditors of the counties in which the taxes are imposed shall see to the administration of this paragraph.

Subd. 11. **Report.** The joint powers board shall report annually by February 1 to the ~~house of representatives and senate~~ chairs and ranking minority members of the legislative committees having jurisdiction over transportation policy and finance concerning ~~the~~:

(1) board activities and actions;

(2) bonds authorized or issued under subdivision 7;

(3) revenues received; and

(4) grants awarded.

Subd. 12. **Grant awards to Metropolitan Council.** Any grant award under this section made to the Metropolitan Council must supplement, and must not supplant, operating and capital assistance provided by the state.

EFFECTIVE DATE. This section is effective July 1, 2014, for sales and purchases made after June 30, 2014, except that the imposition of the tax under subdivision 2a is effective on the first day of the calendar quarter beginning at least 60 days after the date of final enactment. This section applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington."

Page 15, delete section 2 and insert:

"Sec. 2. **[297A.9925] METROPOLITAN AREA TRANSIT SALES TAX; ALLOCATION OF JOINT CERTIFICATION FUNDS.**

Subdivision 1. **Definitions.** For purposes of this section, the following terms have the meanings given them:

(1) "board" means the joint powers board established under section 297A.992; and

(2) "net transit sales tax proceeds" has the meaning given in section 297A.992, subdivision 1.

Subd. 2. **Allocation purposes.** In the manner specified under subdivision 6, the net transit sales tax proceeds must be allocated under subdivision 3 by the board and the Metropolitan Council for all of the following purposes:

(1) payment of debt service on bonds or other obligations, except for debt service on bonds or other obligations issued under section 297A.992, subdivision 7;

(2) Metropolitan Council transit operations;

(3) 100 percent of the net operating subsidies for transitways and arterial bus rapid transit;

(4) development and construction of transitways;

(5) grants awarded by the GEARS committee under section 297A.992, subdivision 5a;

(6) grants awarded by the board under section 297A.992, subdivision 6, paragraph (b), clause (3);

(7) expansion and operation of regular route and commuter bus service provided by metro transit and suburban transit providers with expansion of service by an annual average rate of four percent;

(8) \$500,000 annually for a grant to the Center for Transportation Studies at the University of Minnesota; and

(9) following allocations under clauses (1) to (8), as otherwise specified in the joint certification under subdivision 3.

Subd. 3. Joint certification. (a) The board and the Metropolitan Council shall annually develop a joint certification as provided in this subdivision. The joint certification must include, at a minimum, allocations for the purposes stated in subdivision 2 and must be separately adopted by the board and by the council no later than August 31 of each year.

(b) By July 1, 2014, and by March 15 of each subsequent year, the commissioner of management and budget shall provide to the board and council an estimate of the net transit sales tax proceeds for the subsequent calendar year.

(c) If, on October 1 of any year, the board and the Metropolitan Council have not reached agreement as to the contents of the joint certification, they shall submit the issue to a panel for dispute resolution. The panel must be composed of a member appointed by the chair of the Metropolitan Council, a member appointed by the board, and a member agreed upon by both the chair and the board. The panel shall mediate discussion of areas of disagreement and shall issue advisory recommendations.

(d) If the commissioner does not receive a joint certification by December 1, the commissioner may not remit the net transit sales tax proceeds except as provided by a legislatively enacted appropriation.

(e) The joint certification must specify the use of sales tax proceeds and account for deposit of the remainder after allocations.

(f) A joint certification may not exceed the estimated net transit sales tax proceeds.

(g) By December 15 annually, the board shall electronically submit a copy of any joint certification to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance.

Subd. 4. Uses and priorities; Metropolitan Council. The Metropolitan Council shall use funds remitted to the council under this section in the following priority order:

(1) continuation of bus and rail transit operations, including but not limited to operations of providers under section 473.388, and operations and maintenance of all transitways under revenue operations; and

(2) transit expansion in accordance with the transit portion of the council's policy transit plan, including but not limited to expansion and upgrades of bus service and related amenities, including transit provided under section 473.388; development of arterial bus rapid transit, transitways, and streetcars as appropriate; and maintenance of affordable transit fares.

Subd. 5. Uses and priorities; joint powers board. The board shall use all funds remitted to the board under this section as provided in section 297A.992.

Subd. 6. Remittance schedule. The commissioner of revenue shall remit the net transit sales tax proceeds on a monthly basis to a fiscal agent selected by the board and council. The fiscal agent shall maintain three separate accounts: a council account, a board account, and an escrow account. Proceeds shall be deposited first into the

board and council accounts based on the amounts determined pursuant to subdivision 3, then into the escrow account. The rate of deposit for all or any portion of the proceeds into any account may be modified by mutual agreement of the parties to reflect bond covenants or cash flow needs. Proceeds deposited into the board and council accounts shall be transferred to the board and council, respectively, within five business days of receipt. Unless otherwise directed herein, money held in the escrow account is subject to the joint certification process under subdivision 3.

EFFECTIVE DATE. This section is effective July 1, 2014, and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington."

Page 18, line 32, delete "30" and insert "40"

Page 18, line 35, strike "excluding"

Page 19, line 1, strike "the counties of Hennepin and Ramsey,"

Page 19, line 4, after "clause" insert ". For purposes of this subdivision, in determining the population of Hennepin and Ramsey Counties, the population base is adjusted to 50 percent of actual population"

Page 19, line 5, delete "70" and insert "60"

Page 21, line 35, delete "and"

Page 22, line 2, delete the period and insert "; and"

Page 22, after line 2, insert:

"(5) exchange funds for 25 projects annually."

Page 22, after line 3, insert:

"Sec. 3. Minnesota Statutes 2012, section 174.56, subdivision 1, is amended to read:

Subdivision 1. **Report required.** (a) The commissioner of transportation shall submit a report by December 15 of each year on (1) the status of major highway projects completed during the previous two years or under construction or planned during the year of the report and for the ensuing 15 years, ~~and~~ (2) trunk highway fund expenditures, and (3) efficiency measures.

(b) For purposes of this section, a "major highway project" is a highway project that has a total cost for all segments that the commissioner estimates at the time of the report to be at least (1) \$15,000,000 in the metropolitan highway construction district, or (2) \$5,000,000 in any nonmetropolitan highway construction district.

Sec. 4. Minnesota Statutes 2012, section 174.56, is amended by adding a subdivision to read:

Subd. 2b. Report contents; efficiency measures. The commissioner shall include in the report information on efficiencies implemented in the previous year with an explanation of measures used to calculate efficiency-related savings. The calculation must include the impact of the state right-of-way acquisition loan account in the trunk highway fund, the use of the right-of-way acquisition loan fund in the seven-county metropolitan area, and the allocation of federal funds for state-aid projects. The report must calculate the value of the savings achieved and report on the planned uses of the dollars saved."

Page 25, after line 8, insert:

"Sec. 6. Minnesota Statutes 2012, section 473.3925, is amended to read:

473.3925 BUS AND VEHICLE PURCHASES.

(a) The Metropolitan Council, in preparing bid specifications for bus purchases, shall ensure that the specifications conform, to the greatest extent practicable, with products that are manufactured in this state.

(b) The Metropolitan Council shall set a goal for accelerating the purchase of hybrid and alternative fuel vehicles that will provide a cost savings on fuel purchases of at least five percent in calendar year 2015 and each calendar year thereafter.

Sec. 7. **LEGISLATIVE REPORT ON TRANSIT EFFICIENCIES.**

The Metropolitan Council shall submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance describing efficiencies and revenue enhancements implemented and the resulting savings. The report must include details concerning the application of savings to the expansion of the metropolitan transit system."

Page 25, after line 15, insert:

"Section 1. Minnesota Statutes 2013 Supplement, section 174.42, subdivision 2, is amended to read:

Subd. 2. **Funding requirement.** In each federal fiscal year, the commissioner shall obtain a total amount in federal authorizations for reimbursement on transportation alternatives projects that is equal to or greater than the annual average of federal authorizations on transportation alternatives projects calculated over ~~the preceding four~~ federal fiscal years 2009 to 2012.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to authorizations for federal fiscal year 2015 and subsequent federal fiscal years."

Page 26, line 21, delete everything after "(i)"

Page 26, line 22, delete "structure; (ii)" and delete "(iii)" and insert "(ii)"

Page 26, delete line 28 and insert "Committee."

Page 26, delete lines 32 to 33

Page 26, line 34, delete "(2)" and insert "(1)"

Page 27, line 1, delete "(3)" and insert "(2)"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after "finance;" insert "modifying the gasoline excise tax;"

Page 1, line 4, after "tax;" insert "requiring the Metropolitan Council to set a goal to accelerate the purchase of hybrid and alternative fuel vehicles;"

Page 1, line 5, after "bonds;" insert "requiring reports;"

Correct the title numbers accordingly

With the recommendation that when so amended the bill be re-referred to the Committee on Taxes.

The report was adopted.

Mariani from the Committee on Education Policy to which was referred:

H. F. No. 2397, A bill for an act relating to education; providing for policy for early childhood and family, kindergarten through grade 12, and adult education; making clarifying and technical changes; amending Minnesota Statutes 2012, sections 124D.03, subdivisions 3, 4, 5, 6, by adding a subdivision; 124D.08, by adding a subdivision; Minnesota Statutes 2013 Supplement, sections 120B.021, subdivision 4; 124D.10, subdivisions 1, 6, 8; 124D.165, subdivisions 2, 4; 124D.4531, subdivisions 1, 3, 3a; proposing coding for new law in Minnesota Statutes, chapter 124D.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1
ENGLISH LEARNERS AND WORLD LANGUAGE PROFICIENCY

Section 1. Minnesota Statutes 2012, section 119A.535, is amended to read:

119A.535 APPLICATION REQUIREMENTS.

Eligible Head Start organizations must submit a plan to the department for approval on a form and in the manner prescribed by the commissioner. The plan must include:

- (1) the number of low-income children and families the program will be able to serve;
- (2) a description of the program design and service delivery area which meets the needs of and encourages access by low-income working families;
- (3) a program design that ensures fair and equitable access to Head Start services for all populations and parts of the service area;
- (4) a plan for providing Head Start services in conjunction with full-day child care programs to minimize child transitions, increase program intensity and duration, and improve child and family outcomes as required in section 119A.5411; ~~and~~
- (5) identification of regular Head Start, early Head Start, full-day services identified in section 119A.5411, and innovative services based upon demonstrated needs to be provided; and

(6) evidence parents of English learners are provided with oral or written information to monitor the program's impact on their children's English language development, know whether their children are progressing in developing their English proficiency, and, where practicable, their native language proficiency, and actively engage with their children in developing their English and native language proficiency.

Sec. 2. Minnesota Statutes 2012, section 120B.022, is amended to read:

120B.022 ELECTIVE STANDARDS.

Subdivision 1. **Elective standards.** ~~(a)~~ A district must establish its own standards in the following subject areas:

- (1) career and technical education; and
- (2) world languages.

A school district must offer courses in all elective subject areas.

Subd. 1a. **Foreign language and culture; proficiency certificates.** ~~(b)~~ (a) World languages teachers and other school staff should develop and implement world languages programs that acknowledge and reinforce the language proficiency and cultural awareness that non-English language speakers already possess, and encourage students' proficiency in multiple world languages. Programs under this ~~paragraph~~ section must encompass indigenous American Indian languages and cultures, among other world languages and cultures. The department shall consult with postsecondary institutions in developing related professional development opportunities for purposes of this section.

~~(e)~~ (b) Any Minnesota public, charter, or nonpublic school may award Minnesota World Language Proficiency Certificates or Minnesota World Language Proficiency High Achievement Certificates, consistent with this subdivision.

(c) The Minnesota World Language Proficiency Certificate recognizes students who demonstrate listening, speaking, reading, and writing language skills at the American Council on the Teaching of Foreign Languages' Intermediate-Low level on a valid and reliable assessment tool. For languages listed as Category 3 by the United States Foreign Service Institute or Category 4 by the United States Defense Language Institute, the standard is Intermediate-Low for listening and speaking and Novice-High for reading and writing.

(d) The Minnesota World Language Proficiency High Achievement Certificate recognizes students who demonstrate listening, speaking, reading, and writing language skills at the American Council on the Teaching of Foreign Languages' Pre-Advanced level for K-12 learners on a valid and reliable assessment tool. For languages listed as Category 3 by the United States Foreign Service Institute or Category 4 by the United States Defense Language Institute, the standard is Pre-Advanced for listening and speaking and Intermediate-Mid for reading and writing.

Subd. 1b. **State bilingual and multilingual seals.** (a) Consistent with efforts to strive for the world's best workforce under sections 120B.11 and 124D.10, subdivision 8, paragraph (u), 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 graduates who demonstrate level 4 functional native proficiency in speaking and reading on either the Foreign Services Institute language proficiency tests 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 whose primary language is other than English must demonstrate mastery of Minnesota's English language proficiency standards.

(c) Consistent with this subdivision, a high school graduate who demonstrates functional native proficiency in one language in addition to English is eligible to receive the state bilingual seal. A high school graduate who demonstrates functional native proficiency in more than one language in addition to English is eligible to receive the state multilingual seal.

(d) School districts and charter schools, in consultation with regional centers of excellence under section 120B.115, must give students periodic opportunities to demonstrate their level of proficiency in speaking and reading in a language in addition to English. Where valid and reliable assessments are unavailable, a school district or charter school may rely on a licensed foreign language immersion teacher or a nonlicensed community expert under section 122A.25 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 graduates eligible to receive the state bilingual or multilingual seal. The school district or charter school must affix the appropriate seal to the transcript of each high school graduate 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 graduate 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 level 4 functional native proficiency in speaking and reading 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 develop a Web page for the electronic delivery of these seals. The commissioner must list on the Web page those assessments that are equivalent to the Foreign Services Institute language proficiency tests and make language proficiency tests and equivalent assessments under this section available to school districts and charter schools at no more than actual cost.

(h) The colleges and universities of the Minnesota State Colleges and Universities system must award foreign language credits to a student who receives a state bilingual seal or a state multilingual seal under this subdivision and may award foreign language credits to a student who receives a Minnesota World Language Proficiency Certificate or a Minnesota World Language Proficiency High Achievement Certificate under subdivision 1a.

Subd. 2. **Local assessments.** A district must use a locally selected assessment to determine if a student has achieved an elective standard.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to the 2014-2015 school year and later, except subdivision 1b, paragraph (h), is effective for students enrolling in a MnSCU system college or university in the 2015-2016 school year or later.

Sec. 3. Minnesota Statutes 2013 Supplement, section 120B.11, is amended to read:

120B.11 SCHOOL DISTRICT PROCESS FOR REVIEWING CURRICULUM, INSTRUCTION, AND STUDENT ACHIEVEMENT; STRIVING FOR THE WORLD'S BEST WORKFORCE.

Subdivision 1. **Definitions.** For the purposes of this section and section 120B.10, the following terms have the meanings given them.

(a) "Instruction" means methods of providing learning experiences that enable a student to meet state and district academic standards and graduation requirements.

(b) "Curriculum" means district or school adopted programs and written plans for providing students with learning experiences that lead to expected knowledge and skills and career and college readiness.

(c) "World's best workforce" means striving to: meet school readiness goals; have all third grade students achieve grade-level literacy; close the academic achievement gap among all racial and ethnic groups of students and between students living in poverty and students not living in poverty; have all students attain career and college readiness before graduating from high school; and have all students graduate from high school.

Subd. 1a. **Performance measures.** Measures to determine school district and school site progress in striving to create the world's best workforce must include at least:

(1) student performance on the National ~~Association~~ Assessment of Education Progress;

(2) the size of the academic achievement gap, rigorous course taking under section 120B.35, subdivision 3, paragraph (c), clause (2), and enrichment experiences by student subgroup;

(3) student performance on the Minnesota Comprehensive Assessments;

(4) high school graduation rates; and

(5) career and college readiness under section 120B.30, subdivision 1.

Subd. 2. **Adopting plans and budgets.** A school board, at a public meeting, shall adopt a comprehensive, long-term strategic plan to support and improve teaching and learning that is aligned with creating the world's best workforce and includes:

(1) clearly defined district and school site goals and benchmarks for instruction and student achievement for all student subgroups identified in section 120B.35, subdivision 3, paragraph (b), clause (2);

(2) a process for assessing and evaluating each student's progress toward meeting state and local academic standards and identifying the strengths and weaknesses of instruction in pursuit of student and school success and curriculum affecting students' progress and growth toward career and college readiness and leading to the world's best workforce;

(3) a system to periodically review and evaluate the effectiveness of all instruction and curriculum, taking into account strategies and best practices, student outcomes, school principal evaluations under section 123B.147, subdivision 3, and teacher evaluations under section 122A.40, subdivision 8, or 122A.41, subdivision 5;

(4) strategies for improving instruction, curriculum, and student achievement, including the English and, where practicable, the native language development and the academic achievement of English learners;

(5) education effectiveness practices that integrate high-quality instruction, rigorous curriculum, technology, and a collaborative professional culture that develops and supports teacher quality, performance, and effectiveness; and

(6) an annual budget for continuing to implement the district plan.

Subd. 3. **District advisory committee.** Each school board shall establish an advisory committee to ensure active community participation in all phases of planning and improving the instruction and curriculum affecting state and district academic standards, consistent with subdivision 2. A district advisory committee, to the extent possible, shall reflect the diversity of the district and its school sites, ~~and shall~~ include teachers, parents, support staff, students, and other community residents, and provide translation to the extent appropriate and practicable. The district advisory committee shall pursue community support to accelerate the academic and native literacy and achievement of English learners with varied needs, from young children to adults, consistent with section 124D.59, subdivisions 2 and 2a. The district may establish site teams as subcommittees of the district advisory committee under subdivision 4. The district advisory committee shall recommend to the school board rigorous academic standards, student achievement goals and measures consistent with subdivision 1a and sections 120B.022, ~~subdivision 1, paragraphs (b) and (e)~~ subdivisions 1a and 1b, and 120B.35, district assessments, and program evaluations. School sites may expand upon district evaluations of instruction, curriculum, assessments, or programs. Whenever possible, parents and other community residents shall comprise at least two-thirds of advisory committee members.

Subd. 4. **Site team.** A school may establish a site team to develop and implement strategies and education effectiveness practices to improve instruction, curriculum, cultural competencies, including cultural awareness and cross-cultural communication, and student achievement at the school site, consistent with subdivision 2. The team advises the board and the advisory committee about developing the annual budget and revising an instruction and curriculum improvement plan that aligns curriculum, assessment of student progress, and growth in meeting state and district academic standards and instruction.

Subd. 5. **Report.** Consistent with requirements for school performance reports under section 120B.36, subdivision 1, the school board shall publish a report in the local newspaper with the largest circulation in the district, by mail, or by electronic means on the district Web site. The school board shall hold an annual public meeting to review, and revise where appropriate, student achievement goals, local assessment outcomes, plans, strategies, and practices for improving curriculum and instruction and cultural competency, and to review district success in realizing the previously adopted student achievement goals and related benchmarks and the improvement plans leading to the world's best workforce. The school board must transmit an electronic summary of its report to the commissioner in the form and manner the commissioner determines.

Subd. 7. **Periodic report.** Each school district shall periodically survey affected constituencies, in their native languages where appropriate and practicable, about their connection to and level of satisfaction with school. The district shall include the results of this evaluation in the summary report required under subdivision 5.

Subd. 9. **Annual evaluation.** (a) The commissioner must identify effective strategies, practices, and use of resources by districts and school sites in striving for the world's best workforce. The commissioner must assist districts and sites throughout the state in implementing these effective strategies, practices, and use of resources.

(b) The commissioner must identify those districts in any consecutive three-year period not making sufficient progress toward improving teaching and learning for all students, including English learners with varied needs, consistent with section 124D.59, subdivisions 2 and 2a, and striving for the world's best workforce. The commissioner, in collaboration with the identified district, may require the district to use up to two percent of its basic general education revenue per fiscal year during the proximate three school years to implement commissioner-specified strategies and practices, consistent with paragraph (a), to improve and accelerate its progress in realizing its goals under this section. In implementing this section, the commissioner must consider districts' budget constraints and legal obligations.

Sec. 4. Minnesota Statutes 2013 Supplement, section 120B.115, is amended to read:

120B.115 REGIONAL CENTERS OF EXCELLENCE.

(a) Regional centers of excellence are established to assist and support school boards, school districts, school sites, and charter schools in implementing research-based interventions and practices to increase the students' achievement within a region. The centers must develop partnerships with local and regional service cooperatives, postsecondary institutions, integrated school districts, the department, children's mental health providers, or other local or regional entities interested in providing a cohesive and consistent regional delivery system that serves all schools equitably. Centers must assist school districts, school sites, and charter schools in developing similar partnerships. Center support may include assisting school districts, school sites, and charter schools with common principles of effective practice, including:

(1) defining measurable education goals under ~~section~~ sections 120B.11, subdivision 2, and 120B.22, subdivisions 1a and 1b;

(2) implementing evidence-based practices;

(3) engaging in data-driven decision-making;

(4) providing multilayered levels of support;

(5) supporting culturally responsive teaching and learning aligning the development of academic English proficiency, state and local academic standards, and career and college readiness benchmarks; ~~and~~

(6) engaging parents, families, youth, and local community members in programs and activities at the school district, school site, or charter school that foster collaboration and shared accountability for the achievement of all students; and

(7) translating district forms and other information such as a multilingual glossary of commonly used education terms and phrases.

Centers must work with school site leadership teams to build ~~capacity~~ the expertise and experience to implement programs that close the achievement gap, provide effective and differentiated programs and instruction for different types of English learners, including English learners with limited or interrupted formal schooling and long-term English learners under section 124D.59, subdivisions 2 and 2a, increase students' progress and growth toward career and college readiness, and increase student graduation rates.

(b) The department must assist the regional centers of excellence to meet staff, facilities, and technical needs, provide the centers with programmatic support, and work with the centers to establish a coherent statewide system of regional support, including consulting, training, and technical support, to help school boards, school districts, school sites, and charter schools effectively and efficiently implement the world's best workforce goals under section 120B.11 and other state and federal education initiatives.

Sec. 5. Minnesota Statutes 2012, 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, and that teachers provide comprehensive, scientifically based reading instruction consistent with section 122A.06, subdivision 4.

Subd. 2. **Identification; report.** For the 2011-2012 school year and later, 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 assessments in English, and in the predominant languages of district students where practicable, must 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 appropriate, and culturally responsive assessment and annually report summary assessment results to the commissioner by July 1.

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

- (1) student's reading proficiency as measured by a locally adopted assessment;
- (2) reading-related services currently being provided to the student; and
- (3) strategies for parents to use at home in helping their student succeed in becoming grade-level proficient in reading in English and in their native language.

Subd. 3. **Intervention.** For each student identified under subdivision 2, the district shall provide reading intervention to accelerate student growth ~~in order to~~ and reach the goal of reading at or above grade level by the end of the current grade and school year. District intervention methods shall encourage ~~parental involvement~~ family engagement and, where possible, collaboration with appropriate school and community programs. Intervention methods may include, but are not limited to, requiring attendance in summer school, intensified reading instruction that may require that the student be removed from the regular classroom for part of the school day ~~or~~ extended-day programs, or programs that strengthen students' cultural connections.

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

- (1) elementary teachers are able to implement comprehensive, scientifically based reading and oral language instruction in the five reading areas of phonemic awareness, phonics, fluency, vocabulary, and comprehension as defined in section 122A.06, subdivision 4, and other literacy-related areas including writing until the student achieves grade-level reading proficiency;
- (2) elementary teachers have sufficient training to provide comprehensive, scientifically based reading and oral language instruction that meets students' developmental, linguistic, and literacy needs using the intervention methods or programs selected by the district for the identified students;
- (3) licensed teachers employed by the district have regular opportunities to improve reading and writing instruction; ~~and~~
- (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.** 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 include a process to assess students' level of reading proficiency, notify and involve parents, intervene with students who are not reading at or above grade level, and identify and meet staff development needs. 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.

Sec. 6. Minnesota Statutes 2013 Supplement, section 120B.125, is amended to read:

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

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

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

(2) emphasize academic rigor and high expectations;

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

(4) help students gain access to postsecondary education and career options;

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

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

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

(8) 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 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 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.

Sec. 7. Minnesota Statutes 2013 Supplement, section 120B.35, subdivision 3, is amended to read:

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

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

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

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

The commissioner must report measures of student growth, consistent with this paragraph.

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

(1) a preparation measure indicating the number and percentage of high school graduates in the most recent school year who completed course work important to preparing them for postsecondary academic and career opportunities, consistent with the core academic subjects required for admission to Minnesota's public colleges and universities as determined by the Office of Higher Education under chapter 136A; and

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

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

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

(e) For purposes of statewide educational accountability, the commissioner must identify and report measures that demonstrate the success of learning year program providers under sections 123A.05 and 124D.68, among other such providers, in improving students' graduation outcomes. The commissioner, beginning July 1, 2015, must annually report summary data on:

- (1) the four- and six-year graduation rates of students under this paragraph;
- (2) the percent of students under this paragraph whose progress and performance levels are meeting career and college readiness benchmarks under section 120B.30, subdivision 1; and
- (3) the success that learning year program providers experience in:
 - (i) identifying at-risk and off-track student populations by grade;
 - (ii) providing successful prevention and intervention strategies for at-risk students;
 - (iii) providing successful recuperative and recovery or reenrollment strategies for off-track students; and
 - (iv) improving the graduation outcomes of at-risk and off-track students.

The commissioner may include in the annual report summary data on other education providers serving a majority of students eligible to participate in a learning year program.

(f) The commissioner, in consultation with recognized experts with knowledge and experience in assessing the language proficiency and academic performance of English learners, must identify and report appropriate and effective measures to improve current categories of language difficulty and assessments, and monitor and report data on students' English proficiency levels, program placement, and academic language development, including oral academic language.

Sec. 8. Minnesota Statutes 2013 Supplement, section 120B.36, subdivision 1, is amended to read:

Subdivision 1. **School performance reports.** (a) The commissioner shall report student academic performance under section 120B.35, subdivision 2; the percentages of students showing low, medium, and high growth under section 120B.35, subdivision 3, paragraph (b); school safety and student engagement and connection under section 120B.35, subdivision 3, paragraph (d); rigorous coursework under section 120B.35, subdivision 3, paragraph (c); the percentage of students under section 120B.35, subdivision 3, paragraph (b), clause (2), whose progress and performance levels are meeting career and college readiness benchmarks under sections 120B.30, subdivision 1, and 120B.35, subdivision 3, paragraph (e); longitudinal data on the progress of eligible districts in reducing disparities in students' academic achievement and realizing racial and economic integration under section 124D.861; the acquisition of English, and where practicable, native language academic literacy, including oral academic language, and the academic progress of English learners under section 124D.59, subdivisions 2 and 2a; two separate student-to-teacher ratios that clearly indicate the definition of teacher consistent with sections 122A.06 and 122A.15 for

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

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

(c) The commissioner must make available performance reports by the beginning of each school year.

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

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

Sec. 9. Minnesota Statutes 2012, section 122A.06, subdivision 4, is amended to read:

Subd. 4. **Comprehensive, scientifically based reading instruction.** (a) "Comprehensive, scientifically based reading instruction" includes a program or collection of instructional practices that is based on valid, replicable evidence showing that when these programs or practices are used, students can be expected to achieve, at a minimum, satisfactory reading progress. The program or collection of practices must include, at a minimum, effective, balanced instruction in all five areas of reading: phonemic awareness, phonics, fluency, vocabulary development, and reading comprehension.

Comprehensive, scientifically based reading instruction also includes and integrates instructional strategies for continuously assessing, evaluating, and communicating the student's reading progress and needs in order to design and implement ongoing interventions so that students of all ages and proficiency levels can read and comprehend text, write, and apply higher level thinking skills. For English learners developing literacy skills, districts are encouraged to use strategies that teach reading and writing in the students' native language and English at the same time.

(b) "Fluency" is the ability of students to read text with speed, accuracy, and proper expression.

(c) "Phonemic awareness" is the ability of students to notice, think about, and manipulate individual sounds in spoken syllables and words.

(d) "Phonics" is the understanding that there are systematic and predictable relationships between written letters and spoken words. Phonics instruction is a way of teaching reading that stresses learning how letters correspond to sounds and how to apply this knowledge in reading and spelling.

(e) "Reading comprehension" is an active process that requires intentional thinking during which meaning is constructed through interactions between text and reader. Comprehension skills are taught explicitly by demonstrating, explaining, modeling, and implementing specific cognitive strategies to help beginning readers derive meaning through intentional, problem-solving thinking processes.

(f) "Vocabulary development" is the process of teaching vocabulary both directly and indirectly, with repetition and multiple exposures to vocabulary items. Learning in rich contexts, incidental learning, and use of computer technology enhance the acquiring of vocabulary.

(g) Nothing in this subdivision limits the authority of a school district to select a school's reading program or curriculum.

Sec. 10. Minnesota Statutes 2013 Supplement, section 122A.09, subdivision 4, is amended to read:

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

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

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

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

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

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

(g) The board must grant licenses to interns and to candidates for initial licenses based on appropriate professional competencies that are aligned with the board's licensing system and students' diverse learning needs. All teacher candidates must have preparation in English language development and content instruction for English learners in order to be able to effectively instruct the English learners in their classrooms. The board must include these licenses in a statewide differentiated licensing system that creates new leadership roles for successful experienced teachers premised on a collaborative professional culture dedicated to meeting students' diverse learning needs in the 21st century, recognizes the importance of cultural and linguistic competencies, including the ability to teach and communicate in culturally competent and aware ways, and formalizes mentoring and induction for newly licensed teachers ~~that is~~ provided through a teacher support framework.

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

(i) The board must receive recommendations from local committees as established by the board for the renewal of teaching licenses. The board must require licensed teachers who are renewing a continuing license to include in the renewal requirements further preparation in English language development and specially designed content instruction in English for English learners.

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

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

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

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

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

EFFECTIVE DATE. This section is effective August 1, 2015, and applies to individuals entering a teacher preparation program after that date.

Sec. 11. Minnesota Statutes 2012, section 122A.14, subdivision 2, is amended to read:

Subd. 2. **Preparation programs.** The board shall review and approve or disapprove preparation programs for school administrators and alternative preparation programs for administrators under section 122A.27, and must consider other alternative competency-based preparation programs leading to licensure. Among other requirements, preparation programs must include instruction on meeting the varied needs of English learners, from young children to adults, in English and, where practicable, in students' native language.

EFFECTIVE DATE. This section is effective August 1, 2015, and applies to individuals entering a school administrator preparation program after that date.

Sec. 12. Minnesota Statutes 2012, section 122A.14, subdivision 3, is amended to read:

Subd. 3. **Rules for continuing education requirements.** The board shall adopt rules establishing continuing education requirements that promote continuous improvement and acquisition of new and relevant skills by school administrators. Continuing education programs, among other things, must provide school administrators with information and training about building coherent and effective English learner strategies that include relevant professional development, accountability for student progress, students' access to the general curriculum, and sufficient staff capacity to effect these strategies. A retired school principal who serves as a substitute principal or assistant principal for the same person on a day-to-day basis for no more than 15 consecutive school days is not subject to continuing education requirements as a condition of serving as a substitute principal or assistant principal.

EFFECTIVE DATE. This section is effective August 1, 2015, and applies to school administrators renewing an administrator's license after that date.

Sec. 13. Minnesota Statutes 2013 Supplement, section 122A.18, subdivision 2, is amended to read:

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

(b) The board must require a person to pass an examination of skills in reading, writing, and mathematics before being granted an initial teaching license to provide direct instruction to pupils in prekindergarten, elementary, secondary, or special education programs, except that the board may issue up to two additional temporary, one-year teaching licenses to an otherwise qualified candidate who has not yet passed the skills exam. The board must require colleges and universities offering a board approved teacher preparation program to make available upon request remedial assistance that includes a formal diagnostic component to persons enrolled in their institution who did not achieve a qualifying score on the skills examination, including those for whom English is a second language. The colleges and universities must make available assistance in the specific academic areas of deficiency in which the person did not achieve a qualifying score. School districts may make available upon request similar, appropriate, and timely remedial assistance that includes a formal diagnostic component to those persons employed by the district who completed their teacher education program, who did not achieve a qualifying score on the skills examination, including those persons for whom English is a second language and persons under section 122A.23, subdivision 2, paragraph (h), who completed their teacher's education program outside the state of Minnesota, and who received a temporary license to teach in Minnesota. The Board of Teaching shall report annually to the education committees of the legislature on the total number of teacher candidates during the most recent school year taking the skills examination, the number who achieve a qualifying score on the examination, the number who do not achieve a qualifying score on the examination, the distribution of all candidates' scores, the number of candidates who have taken the examination at least once before, and the number of candidates who have taken the examination at least once before and achieve a qualifying score.

(c) The Board of Teaching must grant continuing licenses only to those persons who have met board criteria for granting a continuing license, which includes passing the skills examination in reading, writing, and mathematics consistent with paragraph (b) and section 122A.09, subdivision 4, paragraph (b).

(d) All colleges and universities approved by the board of teaching to prepare persons for teacher licensure must include in their teacher preparation programs a common core of teaching knowledge and skills to be acquired by all persons recommended for teacher licensure. Among other requirements, teacher candidates must demonstrate the knowledge and skills needed to provide appropriate instruction to English learners to support and accelerate their academic literacy, including oral academic language, and achievement in content areas in a regular classroom setting. This common core shall meet the standards developed by the interstate new teacher assessment and support consortium in its 1992 "model standards for beginning teacher licensing and development." Amendments to

standards adopted under this paragraph are covered by chapter 14. The board of teaching shall report annually to the education committees of the legislature on the performance of teacher candidates on common core assessments of knowledge and skills under this paragraph during the most recent school year.

EFFECTIVE DATE. This section is effective August 1, 2015, and applies to individuals entering a teacher preparation program after that date.

Sec. 14. Minnesota Statutes 2012, section 122A.18, subdivision 2a, is amended to read:

Subd. 2a. **Reading strategies.** (a) All colleges and universities approved by the Board of Teaching to prepare persons for classroom teacher licensure must include in their teacher preparation programs research-based best practices in reading, consistent with section 122A.06, subdivision 4, that enable the licensure candidate to know how to teach reading in the candidate's content areas. Teacher candidates must be instructed in using students' native languages as a resource in creating effective differentiated instructional strategies for English learners developing literacy skills. These colleges and universities also must prepare candidates for initial licenses to teach prekindergarten or elementary students for the assessment of reading instruction portion of the examination of licensure-specific teaching skills under section 122A.09, subdivision 4, paragraph (e).

(b) Board-approved teacher preparation programs for teachers of elementary education must require instruction in the application of comprehensive, scientifically based, and balanced reading instruction programs that:

(1) teach students to read using foundational knowledge, practices, and strategies consistent with section 122A.06, subdivision 4, so that all students will achieve continuous progress in reading; and

(2) teach specialized instruction in reading strategies, interventions, and remediations that enable students of all ages and proficiency levels to become proficient readers.

(c) Nothing in this section limits the authority of a school district to select a school's reading program or curriculum.

EFFECTIVE DATE. This section is effective August 1, 2015, and applies to individuals entering a teacher preparation program after that date.

Sec. 15. Minnesota Statutes 2012, section 122A.18, subdivision 4, is amended to read:

Subd. 4. **Expiration and renewal.** (a) Each license the Department of Education issues through its licensing section must bear the date of issue. Licenses must expire and be renewed according to the respective rules the Board of Teaching, the Board of School Administrators, or the commissioner of education adopts. Requirements for renewing a license must include showing satisfactory evidence of successful teaching or administrative experience for at least one school year during the period covered by the license in grades or subjects for which the license is valid or completing such additional preparation as the Board of Teaching prescribes. The Board of School Administrators shall establish requirements for renewing the licenses of supervisory personnel except athletic coaches. The State Board of Teaching shall establish requirements for renewing the licenses of athletic coaches.

(b) Relicensure applicants who have been employed as a teacher during the renewal period of their expiring license, as a condition of relicensure, must present to their local continuing education and relicensure committee or other local relicensure committee evidence of work that demonstrates professional reflection and growth in best teaching practices, including among other things, practices in meeting the varied needs of English learners, from young children to adults under section 124D.59, subdivisions 2 and 2a. The applicant must include a reflective statement of professional accomplishment and the applicant's own assessment of professional growth showing evidence of:

(1) support for student learning;

(2) use of best practices techniques and their applications to student learning;

(3) collaborative work with colleagues that includes examples of collegiality such as attested-to committee work, collaborative staff development programs, and professional learning community work; or

(4) continual professional development that may include (i) job-embedded or other ongoing formal professional learning or (ii) for teachers employed for only part of the renewal period of their expiring license, other similar professional development efforts made during the relicensure period.

The Board of Teaching must ensure that its teacher relicensing requirements also include this paragraph.

(c) The Board of Teaching shall offer alternative continuing relicensure options for teachers who are accepted into and complete the National Board for Professional Teaching Standards certification process, and offer additional continuing relicensure options for teachers who earn National Board for Professional Teaching Standards certification. Continuing relicensure requirements for teachers who do not maintain National Board for Professional Teaching Standards certification are those the board prescribes, consistent with this section.

EFFECTIVE DATE. This section is effective August 1, 2015, and applies to licensed teachers renewing a teaching license after that date.

Sec. 16. Minnesota Statutes 2012, section 122A.19, is amended to read:

122A.19 BILINGUAL AND ENGLISH AS A SECOND LANGUAGE TEACHERS; LICENSES.

Subdivision 1. **Bilingual and English as a second language licenses.** The Board of Teaching, hereinafter the board, must grant teaching licenses in bilingual education and English as a second language to persons who present satisfactory evidence that they:

(a) Possess competence and communicative skills in English and in another language;

(b) Possess a bachelor's degree or other academic degree approved by the board, and meet such requirements as to course of study and training as the board may prescribe, consistent with subdivision 4.

Subd. 2. **Persons holding general teaching licenses.** The board may license a person ~~holding who holds~~ a general teaching license and who presents the board with satisfactory evidence of competence and communicative skills in a language other than English ~~may be licensed~~ under this section.

~~Subd. 3. **Employment of teachers.** Teachers employed in a bilingual education or English as a second language program established pursuant to sections 124D.58 to 124D.64 shall not be employed to replace any presently employed teacher who otherwise would not be replaced.~~

Subd. 4. **Teacher preparation programs.** For the purpose of licensing bilingual and English as a second language teachers, the board may approve programs at colleges or universities designed for their training. These programs must provide instruction in implementing research-based practices designed specifically for English learners. The programs must focus on developing English learners' academic language proficiency in English, including oral academic language, giving English learners meaningful access to the full school curriculum, developing culturally relevant teaching practices appropriate for immigrant students, and providing more intensive instruction and resources to English learners with lower levels of academic English proficiency and varied needs, consistent with section 124D.59, subdivisions 2 and 2a.

Subd. 5. **Persons eligible for employment.** Any person licensed under this section ~~shall be~~ is eligible for employment by a school board as a teacher in a bilingual education or English as a second language program in which the language for which the person is licensed is taught or used as a medium of instruction. A board may prescribe only those additional qualifications for teachers licensed under this section ~~as that~~ are approved by the board of teaching.

Subd. 6. **Affirmative efforts in hiring.** In hiring for all ~~positions in~~ bilingual education ~~programs~~ program positions, districts must give preference to and make affirmative efforts to seek, recruit, and employ persons who (1) are ~~(a)~~ native speakers of the language which is the medium of instruction in the bilingual education program or share a native language with the majority of their students, and ~~(b) who~~ (2) share the culture of the English learners who are enrolled in the program. The district shall provide procedures for ~~the involvement of~~ involving the parent advisory committees in designing the procedures for ~~the recruitment~~ recruiting, screening, and ~~selection of~~ selecting applicants. This section must not be construed to limit the school board's authority to hire and discharge personnel.

EFFECTIVE DATE. Subdivisions 1, 2, 5, and 6 are effective August 1, 2015. Subdivision 3 is effective the day following final enactment. Subdivision 4 is effective August 1, 2015, and applies to an individual entering a teacher preparation program after that date.

Sec. 17. Minnesota Statutes 2013 Supplement, section 122A.40, subdivision 8, is amended to read:

Subd. 8. **Development, evaluation, and peer coaching for continuing contract teachers.** (a) To improve student learning and success, a school board and an exclusive representative of the teachers in the district, consistent with paragraph (b), may develop a teacher evaluation and peer review process for probationary and continuing contract teachers through joint agreement. If a school board and the exclusive representative of the teachers do not agree to an annual teacher evaluation and peer review process, then the school board and the exclusive representative of the teachers must implement the plan for evaluation and review under paragraph (c). The process must include having trained observers serve as peer coaches or having teachers participate in professional learning communities, consistent with paragraph (b).

(b) To develop, improve, and support qualified teachers and effective teaching practices and improve student learning and success, the annual evaluation process for teachers:

(1) must, for probationary teachers, provide for all evaluations required under subdivision 5;

(2) must establish a three-year professional review cycle for each teacher that includes an individual growth and development plan, a peer review process, the opportunity to participate in a professional learning community under paragraph (a), and at least one summative evaluation performed by a qualified and trained evaluator such as a school administrator. For the years when a tenured teacher is not evaluated by a qualified and trained evaluator, the teacher must be evaluated by a peer review;

(3) must be based on professional teaching standards established in rule;

(4) must coordinate staff development activities under sections 122A.60 and 122A.61 with this evaluation process and teachers' evaluation outcomes;

(5) may provide time during the school day and school year for peer coaching and teacher collaboration;

(6) may include mentoring and induction programs;

(7) must include an option for teachers to develop and present a portfolio demonstrating evidence of reflection and professional growth, consistent with section 122A.18, subdivision 4, paragraph (b), and include teachers' own performance assessment based on student work samples and examples of teachers' work, which may include video among other activities for the summative evaluation;

(8) must use data from valid and reliable assessments aligned to state and local academic standards and must use state and local measures of student growth and literacy that may include value-added models or student learning goals to determine 35 percent of teacher evaluation results;

(9) must use longitudinal data on student engagement and connection, the academic literacy, including oral academic language, and achievement of content areas of English learners, and other student outcome measures explicitly aligned with the elements of curriculum for which teachers are responsible;

(10) must require qualified and trained evaluators such as school administrators to perform summative evaluations;

(11) must give teachers not meeting professional teaching standards under clauses (3) through (10) support to improve through a teacher improvement process that includes established goals and timelines; and

(12) must discipline a teacher for not making adequate progress in the teacher improvement process under clause (11) that may include a last chance warning, termination, discharge, nonrenewal, transfer to a different position, a leave of absence, or other discipline a school administrator determines is appropriate.

Data on individual teachers generated under this subdivision are personnel data under section 13.43.

(c) The department, in consultation with parents who may represent parent organizations and teacher and administrator representatives appointed by their respective organizations, representing the Board of Teaching, the Minnesota Association of School Administrators, the Minnesota School Boards Association, the Minnesota Elementary and Secondary Principals Associations, Education Minnesota, and representatives of the Minnesota Assessment Group, the Minnesota Business Partnership, the Minnesota Chamber of Commerce, and Minnesota postsecondary institutions with research expertise in teacher evaluation, must create and publish a teacher evaluation process that complies with the requirements in paragraph (b) and applies to all teachers under this section and section 122A.41 for whom no agreement exists under paragraph (a) for an annual teacher evaluation and peer review process. The teacher evaluation process created under this subdivision does not create additional due process rights for probationary teachers under subdivision 5.

Sec. 18. Minnesota Statutes 2013 Supplement, section 122A.41, subdivision 5, is amended to read:

Subd. 5. **Development, evaluation, and peer coaching for continuing contract teachers.** (a) To improve student learning and success, a school board and an exclusive representative of the teachers in the district, consistent with paragraph (b), may develop an annual teacher evaluation and peer review process for probationary and nonprobationary teachers through joint agreement. If a school board and the exclusive representative of the teachers in the district do not agree to an annual teacher evaluation and peer review process, then the school board and the exclusive representative of the teachers must implement the plan for evaluation and review developed under paragraph (c). The process must include having trained observers serve as peer coaches or having teachers participate in professional learning communities, consistent with paragraph (b).

(b) To develop, improve, and support qualified teachers and effective teaching practices and improve student learning and success, the annual evaluation process for teachers:

(1) must, for probationary teachers, provide for all evaluations required under subdivision 2;

(2) must establish a three-year professional review cycle for each teacher that includes an individual growth and development plan, a peer review process, the opportunity to participate in a professional learning community under paragraph (a), and at least one summative evaluation performed by a qualified and trained evaluator such as a school administrator;

- (3) must be based on professional teaching standards established in rule;
- (4) must coordinate staff development activities under sections 122A.60 and 122A.61 with this evaluation process and teachers' evaluation outcomes;
- (5) may provide time during the school day and school year for peer coaching and teacher collaboration;
- (6) may include mentoring and induction programs;
- (7) must include an option for teachers to develop and present a portfolio demonstrating evidence of reflection and professional growth, consistent with section 122A.18, subdivision 4, paragraph (b), and include teachers' own performance assessment based on student work samples and examples of teachers' work, which may include video among other activities for the summative evaluation;
- (8) must use data from valid and reliable assessments aligned to state and local academic standards and must use state and local measures of student growth and literacy that may include value-added models or student learning goals to determine 35 percent of teacher evaluation results;
- (9) must use longitudinal data on student engagement and connection, the academic literacy, including oral academic language, and achievement of English learners, and other student outcome measures explicitly aligned with the elements of curriculum for which teachers are responsible;
- (10) must require qualified and trained evaluators such as school administrators to perform summative evaluations;
- (11) must give teachers not meeting professional teaching standards under clauses (3) through (10) support to improve through a teacher improvement process that includes established goals and timelines; and
- (12) must discipline a teacher for not making adequate progress in the teacher improvement process under clause (11) that may include a last chance warning, termination, discharge, nonrenewal, transfer to a different position, a leave of absence, or other discipline a school administrator determines is appropriate.

Data on individual teachers generated under this subdivision are personnel data under section 13.43.

(c) The department, in consultation with parents who may represent parent organizations and teacher and administrator representatives appointed by their respective organizations, representing the Board of Teaching, the Minnesota Association of School Administrators, the Minnesota School Boards Association, the Minnesota Elementary and Secondary Principals Associations, Education Minnesota, and representatives of the Minnesota Assessment Group, the Minnesota Business Partnership, the Minnesota Chamber of Commerce, and Minnesota postsecondary institutions with research expertise in teacher evaluation, must create and publish a teacher evaluation process that complies with the requirements in paragraph (b) and applies to all teachers under this section and section 122A.40 for whom no agreement exists under paragraph (a) for an annual teacher evaluation and peer review process. The teacher evaluation process created under this subdivision does not create additional due process rights for probationary teachers under subdivision 2.

Sec. 19. Minnesota Statutes 2012, section 122A.413, subdivision 2, is amended to read:

Subd. 2. **Plan components.** The educational improvement plan must be approved by the school board and have at least these elements:

- (1) assessment and evaluation tools to measure student performance and progress, including the academic literacy, oral academic language, and achievement of English learners, among other measures;

- (2) performance goals and benchmarks for improvement;
- (3) measures of student attendance and completion rates;
- (4) a rigorous research and practice-based professional development system, based on national and state standards of effective teaching practice applicable to all students including English learners with varied needs, and consistent with section 122A.60, that is aligned with educational improvement and designed to achieve ongoing and schoolwide progress and growth in teaching practice;
- (5) measures of student, family, and community involvement and satisfaction;
- (6) a data system about students and their academic progress that provides parents and the public with understandable information;
- (7) a teacher induction and mentoring program for probationary teachers that provides continuous learning and sustained teacher support; and
- (8) substantial participation by the exclusive representative of the teachers in developing the plan.

EFFECTIVE DATE. This section is effective August 1, 2014, and applies to plans approved after that date.

Sec. 20. Minnesota Statutes 2012, section 122A.414, subdivision 2, is amended to read:

Subd. 2. **Alternative teacher professional pay system.** (a) To participate in this program, a school district, intermediate school district, school site, or charter school must have an educational improvement plan under section 122A.413 and an alternative teacher professional pay system agreement under paragraph (b). A charter school participant also must comply with subdivision 2a.

(b) The alternative teacher professional pay system agreement must:

- (1) describe how teachers can achieve career advancement and additional compensation;
- (2) describe how the school district, intermediate school district, school site, or charter school will provide teachers with career advancement options that allow teachers to retain primary roles in student instruction and facilitate site-focused professional development that helps other teachers improve their skills;
- (3) reform the "steps and lanes" salary schedule, prevent any teacher's compensation paid before implementing the pay system from being reduced as a result of participating in this system, and base at least 60 percent of any compensation increase on teacher performance using:
 - (i) schoolwide student achievement gains under section 120B.35 or locally selected standardized assessment outcomes, or both;
 - (ii) measures of student achievement, including the academic literacy, oral academic language, and achievement of English learners, among other measures; and
 - (iii) an objective evaluation program that includes:
 - (A) individual teacher evaluations aligned with the educational improvement plan under section 122A.413 and the staff development plan under section 122A.60; and

(B) objective evaluations using multiple criteria conducted by a locally selected and periodically trained evaluation team that understands teaching and learning;

(4) provide integrated ongoing site-based professional development activities to improve instructional skills and learning that are aligned with student needs under section 122A.413, consistent with the staff development plan under section 122A.60 and led during the school day by trained teacher leaders such as master or mentor teachers;

(5) allow any teacher in a participating school district, intermediate school district, school site, or charter school that implements an alternative pay system to participate in that system without any quota or other limit; and

(6) encourage collaboration rather than competition among teachers.

EFFECTIVE DATE. This section is effective August 1, 2014, and applies to agreements approved after that date.

Sec. 21. Minnesota Statutes 2012, section 122A.60, subdivision 1a, is amended to read:

Subd. 1a. **Effective staff development activities.** (a) Staff development activities must:

(1) focus on the school classroom and research-based strategies that improve student learning;

(2) provide opportunities for teachers to practice and improve their instructional skills over time;

(3) provide opportunities for teachers to use student data as part of their daily work to increase student achievement;

(4) enhance teacher content knowledge and instructional skills, including to accommodate the delivery of digital and blended learning and curriculum and engage students with technology;

(5) align with state and local academic standards;

(6) provide opportunities to build professional relationships, foster collaboration among principals and staff who provide instruction, and provide opportunities for teacher-to-teacher mentoring; ~~and~~

(7) align with the plan of the district or site for an alternative teacher professional pay system; and

(8) provide teachers of English learners, including English as a second language and content teachers, with differentiated instructional strategies critical for ensuring students' long-term academic success; the means to effectively use assessment data on the academic literacy, oral academic language, and English language development of English learners; and skills to support native and English language development across the curriculum.

Staff development activities may include curriculum development and curriculum training programs, and activities that provide teachers and other members of site-based teams training to enhance team performance. The school district also may implement other staff development activities required by law and activities associated with professional teacher compensation models.

(b) Release time provided for teachers to supervise students on field trips and school activities, or independent tasks not associated with enhancing the teacher's knowledge and instructional skills, such as preparing report cards, calculating grades, or organizing classroom materials, may not be counted as staff development time that is financed with staff development reserved revenue under section 122A.61.

Sec. 22. Minnesota Statutes 2012, section 122A.60, subdivision 2, is amended to read:

Subd. 2. **Contents of plan.** The plan must include the staff development outcomes under subdivision 3, the means to achieve the outcomes, and procedures for evaluating progress at each school site toward meeting education outcomes, consistent with relicensure requirements under section 122A.18, subdivision 4. The plan also must:

(1) support stable and productive professional communities achieved through ongoing and schoolwide progress and growth in teaching practice;

(2) emphasize coaching, professional learning communities, classroom action research, and other job-embedded models;

(3) maintain a strong subject matter focus premised on students' learning goals;

(4) ensure specialized preparation and learning about issues related to teaching English learners and students with special needs by focusing on long-term systemic efforts to improve educational services and opportunities and raise student achievement; and

(5) reinforce national and state standards of effective teaching practice.

Sec. 23. Minnesota Statutes 2012, section 122A.60, subdivision 3, is amended to read:

Subd. 3. **Staff development outcomes.** The advisory staff development committee must adopt a staff development plan for improving student achievement. The plan must be consistent with education outcomes that the school board determines. The plan must include ongoing staff development activities that contribute toward continuous improvement in achievement of the following goals:

(1) improve student achievement of state and local education standards in all areas of the curriculum by using research-based best practices methods;

(2) effectively meet the needs of a diverse student population, including at-risk children, children with disabilities, English learners, and gifted children, within the regular classroom and other settings;

(3) provide an inclusive curriculum for a racially, ethnically, linguistically, and culturally diverse student population that is consistent with the state education diversity rule and the district's education diversity plan;

(4) improve staff collaboration and develop mentoring and peer coaching programs for teachers new to the school or district;

(5) effectively teach and model violence prevention policy and curriculum that address early intervention alternatives, issues of harassment, and teach nonviolent alternatives for conflict resolution;

(6) effectively deliver digital and blended learning and curriculum and engage students with technology; and

(7) provide teachers and other members of site-based management teams with appropriate management and financial management skills.

Sec. 24. Minnesota Statutes 2012, section 122A.68, subdivision 3, is amended to read:

Subd. 3. **Program components.** In order to be approved by the Board of Teaching, a school district's residency program must at minimum include:

- (1) training to prepare teachers to serve as mentors to teaching residents;
- (2) a team mentorship approach to expose teaching residents to a variety of teaching methods, philosophies, and classroom environments that includes differentiated instructional strategies, effective use of student achievement data, and support for native and English language development across the curriculum and grade levels, among other things;
- (3) ongoing peer coaching and assessment;
- (4) assistance to the teaching resident in preparing an individual professional development plan that includes goals, activities, and assessment methodologies; and
- (5) collaboration with one or more teacher education institutions, career teachers, and other community experts to provide local or regional professional development seminars or other structured learning experiences for teaching residents.

A teaching resident's direct classroom supervision responsibilities shall not exceed 80 percent of the instructional time required of a full-time equivalent teacher in the district. During the time a resident does not supervise a class, the resident shall participate in professional development activities according to the individual plan developed by the resident in conjunction with the school's mentoring team. Examples of development activities include observing other teachers, sharing experiences with other teaching residents, and professional meetings and workshops.

Sec. 25. Minnesota Statutes 2012, section 122A.74, is amended to read:

122A.74 PRINCIPALS' LEADERSHIP INSTITUTE.

Subdivision 1. **Establishment.** (a) The commissioner of education may contract with the regents of the University of Minnesota to establish a Principals' Leadership Institute to provide professional development to school principals by:

- (1) creating a network of leaders in the educational and business communities to communicate current and future trends in leadership techniques;
- (2) helping to create a vision for the school that is aligned with the community and district priorities; ~~and~~
- (3) developing strategies to retain highly qualified teachers and ensure that diverse student populations, including at-risk students, children with disabilities, English learners, and gifted students, among others, have equal access to these highly qualified teachers; and
- (4) providing training to analyze data using culturally competent tools.

(b) The University of Minnesota must cooperate with participating members of the business community to provide funding and content for the institute.

(c) Participants must agree to attend the Principals' Leadership Institute for four weeks during the academic summer.

(d) The Principals' Leadership Institute must incorporate program elements offered by leadership programs at the University of Minnesota and program elements used by the participating members of the business community to enhance leadership within their businesses.

Subd. 2. **Method of selection and requirements.** (a) The board of each school district in the state may select a principal, upon the recommendation of the district's superintendent and based on the principal's leadership potential, to attend the institute.

(b) The school board annually shall forward its list of recommended participants to the commissioner ~~of education~~ by February 1 ~~each year~~. In addition, a principal may submit an application directly to the commissioner by February 1. The commissioner ~~of education~~ shall notify the school board, the principal candidates, and the University of Minnesota of the principals selected to participate in the Principals' Leadership Institute each year.

Sec. 26. Minnesota Statutes 2012, section 123A.06, subdivision 2, is amended to read:

Subd. 2. **People to be served.** A state-approved alternative program shall provide programs for secondary pupils and adults. A center may also provide programs and services for elementary and secondary pupils who are not attending the state-approved alternative program to assist them in being successful in school. A center shall use research-based best practices for serving English learners and their parents, taking into account the variations in students' backgrounds and needs and the amount of time and the staff resources necessary for students to overcome gaps in their education and to develop English proficiency and work-related skills. An individualized education program team may identify a state-approved alternative program as an appropriate placement to the extent a state-approved alternative program can provide the student with the appropriate special education services described in the student's plan. Pupils eligible to be served are those who qualify under the graduation incentives program in section 124D.68, subdivision 2, those enrolled under section 124D.02, subdivision 2, or those pupils who are eligible to receive special education services under sections 125A.03 to 125A.24, and 125A.65.

Sec. 27. Minnesota Statutes 2012, section 123B.04, subdivision 4, is amended to read:

Subd. 4. **Achievement contract.** A school board may enter a written education site achievement contract with each site decision-making team for: (1) setting individualized learning and achievement measures and short- and long-term educational goals for each student at that site that may include site-based strategies for English language instruction targeting the teachers of English learners and all teachers and school administrators; (2) recognizing each student's educational needs and aptitudes and levels of academic attainment, whether on grade level or above or below grade level, so as to improve student performance through such means as a cost-effective, research-based formative assessment system designed to promote individualized learning and assessment; (3) using student performance data to diagnose a student's academic strengths and weaknesses and indicate to the student's teachers the specific skills and concepts that need to be introduced to the student and developed through academic instruction or applied learning, organized by strands within subject areas and linked to state and local academic standards during the next year, consistent with the student's short- and long-term educational goals; and (4) assisting the education site if progress in achieving student or contract goals or other performance expectations or measures agreed to by the board and the site decision-making team are not realized or implemented.

Sec. 28. Minnesota Statutes 2012, section 123B.147, subdivision 3, is amended to read:

Subd. 3. **Duties; evaluation.** (a) The principal shall provide administrative, supervisory, and instructional leadership services, under the supervision of the superintendent of schools of the district and according to the policies, rules, and regulations of the school board, for the planning, management, operation, and evaluation of the education program of the building or buildings to which the principal is assigned.

(b) To enhance a principal's leadership skills and support and improve teaching practices, school performance, and student achievement for diverse student populations, including at-risk students, children with disabilities, English learners, and gifted students, among others, a district must develop and implement a performance-based system for annually evaluating school principals assigned to supervise a school building within the district. The evaluation must be designed to improve teaching and learning by supporting the principal in shaping the school's professional environment and developing teacher quality, performance, and effectiveness. The annual evaluation must:

(1) support and improve a principal's instructional leadership, organizational management, and professional development, and strengthen the principal's capacity in the areas of instruction, supervision, evaluation, and teacher development;

(2) include formative and summative evaluations based on multiple measures of student progress toward career and college readiness;

(3) be consistent with a principal's job description, a district's long-term plans and goals, and the principal's own professional multiyear growth plans and goals, all of which must support the principal's leadership behaviors and practices, rigorous curriculum, school performance, and high-quality instruction;

(4) include on-the-job observations and previous evaluations;

(5) allow surveys to help identify a principal's effectiveness, leadership skills and processes, and strengths and weaknesses in exercising leadership in pursuit of school success;

(6) use longitudinal data on student academic growth as 35 percent of the evaluation and incorporate district achievement goals and targets;

(7) be linked to professional development that emphasizes improved teaching and learning, curriculum and instruction, student learning, and a collaborative professional culture; and

(8) for principals not meeting standards of professional practice or other criteria under this subdivision, implement a plan to improve the principal's performance and specify the procedure and consequence if the principal's performance is not improved.

The provisions of this paragraph are intended to provide districts with sufficient flexibility to accommodate district needs and goals related to developing, supporting, and evaluating principals.

Sec. 29. Minnesota Statutes 2012, section 124D.13, subdivision 2, is amended to read:

Subd. 2. **Program requirements.** (a) Early childhood family education programs are programs for children in the period of life from birth to kindergarten, for the parents and other relatives of these children, and for expectant parents. To the extent that funds are insufficient to provide programs for all children, early childhood family education programs should emphasize programming for a child from birth to age three and encourage parents and other relatives to involve four- and five-year-old children in school readiness programs, and other public and nonpublic early learning programs. A district may not limit participation to school district residents. Early childhood family education programs must provide:

(1) programs to educate parents and other relatives about the physical, mental, and emotional development of children and to enhance the skills of parents and other relatives in providing for their children's learning and development;

(2) structured learning activities requiring interaction between children and their parents or relatives;

(3) structured learning activities for children that promote children's development and positive interaction with peers, which are held while parents or relatives attend parent education classes;

(4) information on related community resources;

(5) information, materials, and activities that support the safety of children, including prevention of child abuse and neglect; and

(6) a community outreach plan to ensure participation by families who reflect the racial, cultural, linguistic, and economic diversity of the school district.

Early childhood family education programs are encouraged to provide parents of English learners with translated oral and written information to monitor the program's impact on their children's English language development, to know whether their children are progressing in developing their English and native language proficiency, and to actively engage with and support their children in developing their English and native language proficiency.

The programs must include learning experiences for children, parents, and other relatives that promote children's early literacy and, where practicable, their native language skills. ~~The program must not include~~ and activities for children that ~~do not~~ require substantial involvement of the children's parents or other relatives. Providers must review the program ~~must be reviewed~~ periodically to assure the instruction and materials are not racially, culturally, or sexually biased. The programs must encourage parents to be aware of practices that may affect equitable development of children.

(b) For the purposes of this section, "relative" or "relatives" means noncustodial grandparents or other persons related to a child by blood, marriage, adoption, or foster placement, excluding parents.

Sec. 30. Minnesota Statutes 2012, section 124D.15, subdivision 3, is amended to read:

Subd. 3. **Program requirements.** A school readiness program provider must:

(1) assess each child's cognitive and language skills with a comprehensive child assessment instrument when the child enters and again before the child leaves the program to ~~inform~~ improve program planning and implementation, communicate with parents, and promote kindergarten readiness;

(2) provide comprehensive program content and intentional instructional practice aligned with the state early childhood learning guidelines and kindergarten standards and based on early childhood research and professional practice that is focused on children's cognitive, social, emotional, and physical skills and development and prepares children for the transition to kindergarten, including early literacy and language skills;

(3) coordinate appropriate kindergarten transition with parents and kindergarten teachers;

(4) involve parents in program planning and decision making;

(5) coordinate with relevant community-based services;

(6) cooperate with adult basic education programs and other adult literacy programs;

(7) ensure staff-child ratios of one-to-ten and maximum group size of 20 children with the first staff required to be a teacher; and

(8) have teachers knowledgeable in early childhood curriculum content, assessment, native and English language development programs, and instruction.

Sec. 31. Minnesota Statutes 2012, section 124D.49, subdivision 3, is amended to read:

Subd. 3. **Local education and employment transitions systems.** A local education and employment transitions partnership must assess the needs of employers, employees, and learners, and develop a plan for implementing and achieving the objectives of a local or regional education and employment transitions system. The plan must provide for a comprehensive local system for assisting learners and workers in making the transition from school to work or for retraining in a new vocational area. The objectives of a local education and employment transitions system include:

(1) increasing the effectiveness of the educational programs and curriculum of elementary, secondary, and postsecondary schools and the work site in preparing students in the skills and knowledge needed to be successful in the workplace;

(2) implementing learner outcomes for students in grades kindergarten through 12 designed to introduce the world of work and to explore career opportunities, including nontraditional career opportunities;

(3) eliminating barriers to providing effective integrated applied learning, service-learning, or work-based curriculum;

(4) increasing opportunities to apply academic knowledge and skills, including skills needed in the workplace, in local settings which include the school, school-based enterprises, postsecondary institutions, the workplace, and the community;

(5) increasing applied instruction in the attitudes and skills essential for success in the workplace, including cooperative working, leadership, problem-solving, English language proficiency, and respect for diversity;

(6) providing staff training for vocational guidance counselors, teachers, and other appropriate staff in the importance of preparing learners for the transition to work, and in methods of providing instruction that incorporate applied learning, work-based learning, English language proficiency, and service-learning experiences;

(7) identifying and enlisting local and regional employers who can effectively provide work-based or service-learning opportunities, including, but not limited to, apprenticeships, internships, and mentorships;

(8) recruiting community and workplace mentors including peers, parents, employers and employed individuals from the community, and employers of high school students;

(9) identifying current and emerging educational, training, native and English language development, and employment needs of the area or region, especially within industries with potential for job growth;

(10) improving the coordination and effectiveness of local vocational and job training programs, including vocational education, adult basic education, tech prep, apprenticeship, service-learning, youth entrepreneur, youth training and employment programs administered by the commissioner of employment and economic development, and local job training programs under the Workforce Investment Act of 1998, Public Law 105-220;

(11) identifying and applying for federal, state, local, and private sources of funding for vocational or applied learning programs;

(12) providing students with current information and counseling about career opportunities, potential employment, educational opportunities in postsecondary institutions, workplaces, and the community, and the skills and knowledge necessary to succeed;

(13) providing educational technology, including interactive television networks and other distance learning methods, to ensure access to a broad variety of work-based learning opportunities;

(14) including students with disabilities in a district's vocational or applied learning program and ways to serve at-risk learners through collaboration with area learning centers under sections 123A.05 to 123A.09, or other alternative programs; and

(15) providing a warranty to employers, postsecondary education programs, and other postsecondary training programs, that learners successfully completing a high school work-based or applied learning program will be able to apply the knowledge and work skills included in the program outcomes or graduation requirements. The warranty shall require education and training programs to continue to work with those learners that need additional skill or English language development until they can demonstrate achievement of the program outcomes or graduation requirements.

Sec. 32. Minnesota Statutes 2012, section 124D.52, as amended by Laws 2013, chapter 116, article 2, section 7, is amended to read:

124D.52 ADULT BASIC EDUCATION.

Subdivision 1. **Program requirements.** (a) An adult basic education program is a day or evening program offered by a district that is for people over 16 years of age who do not attend an elementary or secondary school. The program offers academic and English language instruction necessary to earn a high school diploma or equivalency certificate.

(b) Notwithstanding any law to the contrary, a school board or the governing body of a consortium offering an adult basic education program may adopt a sliding fee schedule based on a family's income, but must waive the fee for participants who are under the age of 21 or unable to pay. The fees charged must be designed to enable individuals of all socioeconomic levels to participate in the program. A program may charge a security deposit to assure return of materials, supplies, and equipment.

(c) Each approved adult basic education program must develop a memorandum of understanding with the local workforce development centers located in the approved program's service delivery area. The memorandum of understanding must describe how the adult basic education program and the workforce development centers will cooperate and coordinate services to provide unduplicated, efficient, and effective services to clients.

(d) Adult basic education aid must be spent for adult basic education purposes as specified in sections 124D.518 to 124D.531.

(e) A state-approved adult basic education program must count and submit student contact hours for a program that offers high school credit toward an adult high school diploma according to student eligibility requirements and measures of student progress toward work-based competency demonstration requirements and, where appropriate, English language proficiency requirements established by the commissioner and posted on the department Web site in a readily accessible location and format.

Subd. 2. **Program approval.** (a) To receive aid under this section, a district, a consortium of districts, the Department of Corrections, or a private nonprofit organization must submit an application by June 1 describing the program, on a form provided by the department. The program must be approved by the commissioner according to the following criteria:

(1) how the needs of different levels of learning and English language proficiency will be met;

- (2) for continuing programs, an evaluation of results;
- (3) anticipated number and education level of participants;
- (4) coordination with other resources and services;
- (5) participation in a consortium, if any, and money available from other participants;
- (6) management and program design;
- (7) volunteer training and use of volunteers;
- (8) staff development services;
- (9) program sites and schedules;
- (10) program expenditures that qualify for aid;
- (11) program ability to provide data related to learner outcomes as required by law; and
- (12) a copy of the memorandum of understanding described in subdivision 1 submitted to the commissioner.

(b) Adult basic education programs may be approved under this subdivision for up to five years. Five-year program approval must be granted to an applicant who has demonstrated the capacity to:

(1) offer comprehensive learning opportunities and support service choices appropriate for and accessible to adults at all basic skill ~~need~~ and English language levels of need;

(2) provide a participatory and experiential learning approach based on the strengths, interests, and needs of each adult, that enables adults with basic skill needs to:

(i) identify, plan for, and evaluate their own progress toward achieving their defined educational and occupational goals;

(ii) master the basic academic reading, writing, and computational skills, as well as the problem-solving, decision making, interpersonal effectiveness, and other life and learning skills they need to function effectively in a changing society;

(iii) locate and be able to use the health, governmental, and social services and resources they need to improve their own and their families' lives; and

(iv) continue their education, if they desire, to at least the level of secondary school completion, with the ability to secure and benefit from continuing education that will enable them to become more employable, productive, and responsible citizens;

(3) plan, coordinate, and develop cooperative agreements with community resources to address the needs that the adults have for support services, such as transportation, English language learning, flexible course scheduling, convenient class locations, and child care;

(4) collaborate with business, industry, labor unions, and employment-training agencies, as well as with family and occupational education providers, to arrange for resources and services through which adults can attain economic self-sufficiency;

(5) provide sensitive and well trained adult education personnel who participate in local, regional, and statewide adult basic education staff development events to master effective adult learning and teaching techniques;

(6) participate in regional adult basic education peer program reviews and evaluations;

(7) submit accurate and timely performance and fiscal reports;

(8) submit accurate and timely reports related to program outcomes and learner follow-up information; and

(9) spend adult basic education aid on adult basic education purposes only, which are specified in sections 124D.518 to 124D.531.

(c) The commissioner shall require each district to provide notification by February 1, 2001, of its intent to apply for funds under this section as a single district or as part of an identified consortium of districts. A district receiving funds under this section must notify the commissioner by February 1 of its intent to change its application status for applications due the following June 1.

Subd. 3. **Accounts; revenue; aid.** (a) Each district, group of districts, or private nonprofit organization providing adult basic education programs must establish and maintain a reserve account within the community service fund for ~~the receipt receiving and disbursement of~~ disbursing all funds related to these programs. All revenue received ~~pursuant to~~ under this section must be ~~utilized~~ used solely for the purposes of adult basic education programs. State aid must not equal more than 100 percent of the unreimbursed expenses of providing these programs, excluding in-kind costs.

(b) For purposes of paragraph (a), an adult basic education program may include as valid expenditures for the previous fiscal year program spending that occurs from July 1 to September 30 of the following year. A program may carry over a maximum of 20 percent of its adult basic education aid revenue into the next fiscal year. Program spending may only be counted for one fiscal year.

(c) Notwithstanding section 123A.26 or any other law to the contrary, an adult basic education consortium providing an approved adult basic education program may be its own fiscal agent and is eligible to receive state-aid payments directly from the commissioner.

Subd. 4. **English as a second language programs.** Persons may teach English as a second language classes ~~conducted~~ at a worksite, if they meet the requirements of section 122A.19, subdivision 1, clause (a), regardless of whether they are licensed teachers. Persons teaching English as a second language for an approved adult basic education program must possess a bachelor's or master's degree in English as a second language, applied linguistics, or bilingual education, or a related degree ~~as~~ approved by the commissioner.

Subd. 5. **Basic service level.** A district, or a consortium of districts, with a program approved by the commissioner under subdivision 2 must establish, in consultation with the commissioner, a basic level of service for every adult basic education site in the district or consortium. The basic service level must describe minimum levels of academic and English language instruction and support services to be provided at each site. The program must set a basic service level that promotes effective learning and student achievement with measurable results. Each district or consortium of districts must submit its basic service level to the commissioner for approval.

Subd. 6. **Cooperative English as a second language and adult basic education programs.** (a) A school district, or adult basic education consortium that receives revenue under section 124D.531, may deliver English as a second language, citizenship, or other adult education programming in collaboration with community-based and nonprofit organizations located within its district or region, and with correctional institutions. The organization or correctional institution must have the demonstrated capacity to offer education programs for adults. Community-based or nonprofit organizations must meet the criteria in paragraph (b), or have prior experience. A community-based or nonprofit organization or a correctional institution may be reimbursed for unreimbursed expenses as defined in section 124D.518, subdivision 5, for ~~the administration of~~ administering English as a second language or adult basic education programs, not to exceed eight percent of the total funds provided by a school district or adult basic education consortium. The administrative reimbursement for a school district or adult basic education consortium that delivers services cooperatively with a community-based or nonprofit organization or correctional institution is limited to five percent of the program aid, not to exceed the unreimbursed expenses of administering programs delivered by community-based or nonprofit organizations or correctional institutions.

(b) A community-based organization or nonprofit organization that delivers education services under this section must demonstrate that it has met the following criteria:

(1) be legally established as a nonprofit organization;

(2) have an established system for fiscal accounting and reporting that is consistent with the ~~Department of Education's~~ department's adult basic education completion report and reporting requirements under section 124D.531;

(3) require all instructional staff to complete a training course in teaching adult learners; and

(4) develop a learning plan for each student that identifies defined educational and occupational goals with measures to evaluate progress.

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 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 related to any other specified outcome may be collected at any time during a program year.

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

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

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

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

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

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

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

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

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

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

(b) Persons participating in an approved adult basic education program of instruction must demonstrate the competencies, knowledge, and skills and, where appropriate, English language proficiency, sufficient to ensure that postsecondary programs and institutions and potential employers regard persons with a standard high school diploma and persons with a standard adult high school diploma as equally well prepared and qualified graduates. Approved adult basic education programs of instruction under this subdivision must issue a standard adult high school diploma to persons who successfully demonstrate the competencies, knowledge, and skills required by the program.

Sec. 33. Minnesota Statutes 2012, section 124D.522, is amended to read:

124D.522 ADULT BASIC EDUCATION SUPPLEMENTAL SERVICE GRANTS.

(a) The commissioner, in consultation with the policy review task force under section 124D.521, may make grants to nonprofit organizations to provide services that are not offered by a district adult basic education program or that are supplemental to either the statewide adult basic education program, or a district's adult basic education program. The commissioner may make grants for: staff development for adult basic education teachers and administrators; training for volunteer tutors; training, services, and materials for serving disabled students through adult basic education programs; statewide promotion of adult basic education services and programs; development and dissemination of instructional and administrative technology for adult basic education programs; programs which primarily serve communities of color; adult basic education distance learning projects, including television instruction programs; initiatives to accelerate English language acquisition and the achievement of career- and college-ready skills among English learners; and other supplemental services to support the mission of adult basic education and innovative delivery of adult basic education services.

(b) The commissioner must establish eligibility criteria and grant application procedures. Grants under this section must support services throughout the state, focus on educational results for adult learners, and promote outcome-based achievement through adult basic education programs. Beginning in fiscal year 2002, the commissioner may make grants under this section from the state total adult basic education aid set aside for supplemental service grants under section 124D.531. Up to one-fourth of the appropriation for supplemental service grants must be used for grants for adult basic education programs to encourage and support innovations in adult basic education instruction and service delivery. A grant to a single organization cannot exceed 20 percent of the total supplemental services aid. Nothing in this section prevents an approved adult basic education program from using state or federal aid to purchase supplemental services.

Sec. 34. Minnesota Statutes 2012, section 124D.59, subdivision 2, is amended to read:

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

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

(2) the pupil is determined by a valid assessment measuring the pupil's English language proficiency and by developmentally appropriate measures, which might include observations, teacher judgment, parent recommendations, or developmentally appropriate assessment instruments, to lack the necessary English skills to participate fully in academic classes taught in English.

(b) ~~Notwithstanding paragraph (a),~~ A pupil enrolled in a Minnesota public school in grades any grade 4 through 12 who was enrolled in a Minnesota public school on the dates during in the previous school year when a commissioner provided took a commissioner-provided assessment that measures measuring the pupil's emerging academic English was administered, shall not be counted as an English learner in calculating English learner pupil units under section 126C.05, subdivision 17, and shall not generate state English learner aid under section 124D.65, subdivision 5, unless if the pupil scored below the state cutoff score or is otherwise counted as a nonproficient participant on an the assessment measuring the pupil's emerging academic English provided by the commissioner during the previous school year or in the judgment of the pupil's classroom teachers, consistent with section 124D.61, clause (1), the pupil is unable to demonstrate academic language proficiency in English, including oral academic language, sufficient to successfully and fully participate in the general core curriculum in the regular classroom.

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

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

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

EFFECTIVE DATE. This section is effective for the 2015-2016 school year and later.

Sec. 35. Minnesota Statutes 2012, section 124D.59, is amended by adding a subdivision to read:

Subd. 2a. **English learner; interrupted formal education.** Consistent with subdivision 2, an English learner includes an English learner with an interrupted formal education who:

(1) comes from a home where the language usually spoken is other than English, or usually speaks a language other than English;

(2) enters school in the United States after grade 6;

(3) has at least two years less schooling than the English learner's peers;

(4) functions at least two years below expected grade level in reading and mathematics; and

(5) may be preliterate in the English learner's native language.

EFFECTIVE DATE. This section is effective for the 2015-2016 school year and later.

Sec. 36. Minnesota Statutes 2013 Supplement, section 124D.861, subdivision 3, is amended to read:

Subd. 3. **Public engagement; progress report and budget process.** (a) To receive revenue under section 124D.862, the school board of an eligible district must incorporate school and district plan components under section 120B.11 into the district's comprehensive integration plan.

(b) A school board must hold at least one formal annual hearing to publicly report its progress in realizing the goals identified in its plan. At the hearing, the board must provide the public with longitudinal data demonstrating district and school progress in reducing the disparities in student academic performance among the specified categories of students and in realizing racial and economic integration, consistent with the district plan and the measures in paragraph (a). At least 30 days before the formal hearing under this paragraph, the board must post its plan, its preliminary analysis, relevant student performance data, and other longitudinal data on the district's Web site. A district must hold one hearing to meet the hearing requirements of both this section and section 120B.11.

(c) The district must submit a detailed budget to the commissioner by March 15 in the year before it implements its plan. The commissioner must review, and approve or disapprove the district's budget by June 1 of that year.

(d) The longitudinal data required under paragraph (a) must be based on student growth and progress in reading and mathematics, as defined under section 120B.30, subdivision 1, and student performance data and achievement reports from fully adaptive reading and mathematics assessments for grades 3 through 7 beginning in the 2015-2016 school year under section 120B.30, subdivision 1a, and either (i) school enrollment choices, (ii) the number of world

language proficiency or high achievement certificates awarded under section 120B.022, subdivision 4, paragraphs (b) and (c) 1a, or the number of state bilingual and multilingual seals issued under section 120B.022, subdivision 1b, or (iii) school safety and students' engagement and connection at school under section 120B.35, subdivision 3, paragraph (d). Additional longitudinal data may be based on: students' progress toward career and college readiness under section 120B.30, subdivision 1; or rigorous coursework completed under section 120B.35, subdivision 3, paragraph (c), clause (2).

EFFECTIVE DATE. This section is effective for the 2014-2015 school year and later.

Sec. 37. Minnesota Statutes 2012, section 124D.895, is amended to read:

124D.895 PARENTAL INVOLVEMENT PROGRAMS.

Subdivision 1. **Program goals.** The department, in consultation with the state curriculum advisory committee, must develop guidelines and model plans for parental involvement programs that will:

(1) engage the interests and talents of parents or guardians in recognizing and meeting the emotional, intellectual, native and English language development, and physical needs of their school-age children;

(2) promote healthy self-concepts among parents or guardians and other family members;

(3) offer parents or guardians a chance to share and learn about educational skills, techniques, and ideas;

(4) provide creative learning experiences for parents or guardians and their school-age children, including involvement from parents or guardians of color;

(5) encourage parents to actively participate in their district's curriculum advisory committee under section 120B.11 in order to assist the school board in improving children's education programs; and

(6) encourage parents to help in promoting school desegregation/integration under sections 124D.861 and 124D.862.

Subd. 2. **Plan contents.** Model plans for a parental involvement program must include at least the following:

(1) program goals;

(2) means for achieving program goals;

(3) methods for informing parents or guardians, in a timely way, about the program;

(4) strategies for ensuring the full participation of parents or guardians, including those parents or guardians who lack literacy skills or whose native language is not English, including the involvement from of parents or guardians of color;

(5) procedures for coordinating the program with kindergarten through grade 12 curriculum, with parental involvement programs currently available in the community, with the ~~process under sections 120B.10 to~~ world's best workforce under section 120B.11, and with other education facilities located in the community;

(6) strategies for training teachers and other school staff to work effectively with parents and guardians;

(7) procedures for parents or guardians and educators to evaluate and report progress toward program goals; and

(8) a mechanism for convening a local community advisory committee composed primarily of parents or guardians to advise a district on implementing a parental involvement program.

Subd. 3. **Plan activities.** Activities contained in the model plans must include:

(1) educational opportunities for families that enhance children's learning and native and English language development;

(2) educational programs for parents or guardians on families' educational responsibilities and resources;

(3) the hiring, training, and use of parental involvement liaison workers to coordinate family involvement activities and to foster linguistic and culturally competent communication among families, educators, and students, consistent with the definition of culturally competent under section 120B.30, subdivision 1, paragraph (1);

(4) curriculum materials and assistance in implementing home and community-based learning activities that reinforce and extend classroom instruction and student motivation;

(5) technical assistance, including training to design and carry out family involvement programs;

(6) parent resource centers;

(7) parent training programs and reasonable and necessary expenditures associated with parents' attendance at training sessions;

(8) reports to parents on children's progress;

(9) use of parents as classroom volunteers, or as volunteers in before and after school programs for school-age children, tutors, and aides;

(10) soliciting parents' suggestions in planning, developing, and implementing school programs;

(11) educational programs and opportunities for parents or guardians that are multicultural, multilingual, gender fair, and disability sensitive;

(12) involvement in a district's curriculum advisory committee or a school building team under section 120B.11; and

(13) opportunities for parent involvement in developing, implementing, or evaluating school and district desegregation/integration plans under sections 124D.861 and 124D.862.

Sec. 38. Minnesota Statutes 2012, section 124D.8955, is amended to read:

124D.8955 PARENT AND FAMILY INVOLVEMENT POLICY.

(a) In order to promote and support student achievement, a local school board is encouraged to formally adopt and implement a parent and family involvement policy that promotes and supports:

(1) oral and written communication between home and school that is regular, two-way, ~~and~~ meaningful, and in families' native language;

(2) parenting skills;

(3) parents and caregivers who play an integral role in assisting student learning and learn about fostering students' academic success and learning at home and school;

(4) welcoming parents in the school and using networks that support families' cultural connections, seeking their support and assistance;

(5) partnerships with parents in the decisions that affect children and families in the schools; and

(6) providing community resources to strengthen schools, families, and student learning.

(b) A school board that implements a parent and family involvement policy under paragraph (a) must convene an advisory committee composed of an equal number of resident parents who are not district employees and school staff to make recommendations to the board on developing and evaluating the board's parent and family involvement policy. If possible, the advisory committee must represent the diversity of the district. The advisory committee must consider the district's demographic diversity and barriers to parent involvement when developing its recommendations. The advisory committee must present its recommendations to the board for board consideration.

(c) The board must consider research-based best practices when implementing this policy.

(d) The board periodically must review this policy to determine whether it is aligned with the most current research findings on parent involvement policies and practices and how effective the policy is in supporting increased student achievement.

(e) Nothing in this section obligates a school district to exceed any parent or family involvement requirement under federal law.

Sec. 39. Minnesota Statutes 2013 Supplement, section 127A.70, subdivision 2, is amended to read:

Subd. 2. **Powers and duties; report.** (a) The partnership shall develop recommendations to the governor and the legislature designed to maximize the achievement of all P-20 students while promoting the efficient use of state resources, thereby helping the state realize the maximum value for its investment. These recommendations may include, but are not limited to, strategies, policies, or other actions focused on:

(1) improving the quality of and access to education at all points from preschool through graduate education;

(2) improving preparation for, and transitions to, postsecondary education and work; and

(3) ensuring educator quality by creating rigorous standards for teacher recruitment, teacher preparation, induction and mentoring of beginning teachers, and continuous professional development for career teachers.

(b) Under the direction of the P-20 Education Partnership Statewide Longitudinal Education Data System Governance Committee, the Office of Higher Education and the Departments of Education and Employment and Economic Development shall improve and expand the Statewide Longitudinal Education Data System (SLEDS) to provide policymakers, education and workforce leaders, researchers, and members of the public with data, research, and reports to:

(1) expand reporting on students' educational outcomes for diverse student populations including at-risk students, children with disabilities, English learners, and gifted students, among others, and include formative and summative evaluations based on multiple measures of student progress toward career and college readiness;

(2) evaluate the effectiveness of educational and workforce programs; and

(3) evaluate the relationship between education and workforce outcomes, consistent with section 124D.49.

To the extent possible under federal and state law, research and reports should be accessible to the public on the Internet, and disaggregated by demographic characteristics, organization or organization characteristics, and geography.

It is the intent of the legislature that the Statewide Longitudinal Education Data System inform public policy and decision-making. The SLEDS governance committee, with assistance from staff of the Office of Higher Education, the Department of Education, and the Department of Employment and Economic Development, shall respond to legislative committee and agency requests on topics utilizing data made available through the Statewide Longitudinal Education Data System as resources permit. Any analysis of or report on the data must contain only summary data.

(c) By January 15 of each year, the partnership shall submit a report to the governor and to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over P-20 education policy and finance that summarizes the partnership's progress in meeting its goals and identifies the need for any draft legislation when necessary to further the goals of the partnership to maximize student achievement while promoting efficient use of resources.

Sec. 40. **REVIEW OF WORLD LANGUAGE COMPETENCIES.**

The commissioner of education and the Minnesota State Colleges and Universities (MnSCU) chancellor, after consulting with the world language faculty at the University of Minnesota and MnSCU, must review the specific competencies a K-12 student masters in attaining a state bilingual seal, multilingual seal, Minnesota World Language Proficiency Certificate, or Minnesota World Language Proficiency High Achievement Certificate under Minnesota Statutes, section 120B.22, subdivisions 1a and 1b, and determine credit and course equivalencies for each seal or certificate. The commissioner and the chancellor, or their designees, must report findings, determinations, and any recommendations to the education policy and finance committees of the legislature by February 15, 2015.

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

Sec. 41. **REPEALER.**

Minnesota Statutes 2012, section 122A.19, subdivision 3, is repealed effective the day following final enactment.

ARTICLE 2
GENERAL EDUCATION

Section 1. Minnesota Statutes 2012, section 123B.88, subdivision 1, is amended to read:

Subdivision 1. **Providing transportation.** The board may provide for the transportation of pupils to and from school and for any other purpose. The board may also provide for the transportation of pupils to schools in other districts for grades and departments not maintained in the district, including high school, at the expense of the district, when funds are available therefor and if agreeable to the district to which it is proposed to transport the pupils, for the whole or a part of the school year, as it may deem advisable, and subject to its rules. In any district, the board must arrange for the attendance of all pupils living two miles or more from the school, except pupils whose transportation privileges have been voluntarily surrendered under subdivision 2, or whose privileges have been revoked under section 123B.91, subdivision 1, clause (6), or 123B.90, subdivision 2. The district may provide for the transportation of or the boarding and rooming of the pupils who may be more economically and conveniently provided for by that means. Arrangements for attendance may include a requirement that parents or guardians request transportation before it is provided. The board must provide transportation to and from the home of a child with a disability not yet enrolled in kindergarten when special instruction and services under sections 125A.03 to

125A.24, 125A.26 to 125A.48, and 125A.65 are provided in a location other than in the child's home district facility, a placement contracted for by the district, or a Head Start program if the Head Start program does not otherwise provide transportation. When transportation is provided, scheduling of routes, establishment of the location of bus stops, manner and method of transportation, control and discipline of school children, the determination of fees, and any other matter relating thereto must be within the sole discretion, control, and management of the board. The district may provide for the transportation of pupils or expend a reasonable amount for room and board of pupils whose attendance at school can more economically and conveniently be provided for by that means or who attend school in a building rented or leased by a district within the confines of an adjacent district.

Sec. 2. Minnesota Statutes 2012, section 124D.08, is amended by adding a subdivision to read:

Subd. 2b. **Continued enrollment for students placed in foster care.** Notwithstanding subdivision 2, a pupil who has been enrolled in a district who is placed in foster care in another district may continue to enroll in the prior district without the approval of the board of the prior district. The approval of the board where the pupil's foster home is located is not required.

Sec. 3. Laws 2012, chapter 263, section 1, is amended to read:

Section 1. **INNOVATIVE DELIVERY OF EDUCATION SERVICES AND SHARING OF DISTRICT RESOURCES; PILOT PROJECT.**

Subdivision 1. **Establishment; requirements for participation.** (a) A five-year pilot project for the 2013-2014 through 2017-2018 school years is established to improve student and school outcomes by allowing groups of school districts to work together to provide innovative education programs and activities and share district resources. The pilot project may last until June 30, 2018, or for up to five years, whichever is less, except that innovation partnerships formed during the period of the pilot project may continue past June 30, 2018, with the agreement of the partnership members.

(b) To participate in this pilot project to improve student and school outcomes, a group of two or more school districts must collaborate with school staff and receive formal school board approval to form a partnership. The partnership must develop a plan to provide challenging programmatic options for students, create professional development opportunities for educators, increase student engagement and connection and challenging learning opportunities for students, or demonstrate efficiencies in delivering financial and other services. The plan must establish:

- (1) collaborative educational goals and objectives;
- (2) strategies and processes to implement those goals and objectives, including a budget process with periodic expenditure reviews;
- (3) valid and reliable measures to evaluate progress in realizing the goals and objectives;
- (4) an implementation timeline; and
- (5) other applicable conditions, regulations, responsibilities, duties, provisions, fee schedules, and legal considerations needed to fully implement the plan.

A partnership may invite additional districts to join the partnership during the pilot project term after notifying the commissioner.

(c) A partnership of interested districts must apply by February 1, ~~2013~~, of any year to the education commissioner in the form and manner the commissioner determines, consistent with this section. The application must contain the formal approval adopted by the school board in each district to participate in the plan.

(d) Notwithstanding other law to the contrary, a participating school district under this section continues to: receive revenue and maintain its taxation authority; be organized and governed by an elected school board with general powers under Minnesota Statutes, section 123B.02; and be subject to employment agreements under Minnesota Statutes, chapter 122A, and Minnesota Statutes, section 179A.20; and district employees continue to remain employees of the employing school district.

Subd. 2. **Commissioner's role.** Interested groups of school districts must submit a completed application to the commissioner by March 1, ~~2013~~, of any year in the form and manner determined by the commissioner. The education commissioner must convene an advisory panel composed of a teacher appointed by Education Minnesota, a school principal appointed by the Minnesota Association of Secondary School Principals, a school board member appointed by the Minnesota School Boards Association, and a school superintendent appointed by the Minnesota Association of School Administrators to advise the commissioner on applicants' qualifications to participate in this pilot project. The commissioner ~~must select between three and~~ may select up to six qualified applicants under subdivision 1 by April 1, ~~2013~~, of any year to participate in this pilot project, ensuring an equitable geographical distribution of project participants to the extent practicable. The commissioner must select only those applicants that fully comply with the requirements in subdivision 1. The commissioner must terminate a project participant that fails to effectively implement the goals and objectives contained in its application and according to its stated timeline.

Subd. 3. **Pilot project evaluation.** Participating school districts must submit pilot project data to the commissioner in the form and manner determined by the commissioner. The education commissioner must analyze participating districts' progress in realizing their educational goals and objectives to work together in providing innovative education programs and activities and sharing resources. The commissioner must include the analysis of best practices in a report to the legislative committees with jurisdiction over kindergarten through grade 12 education finance and policy on the efficacy of this pilot project. The commissioner ~~may~~ shall submit an interim project report ~~at any time~~ by February 1, 2016, and must submit a final report to the legislature by February 1, ~~2018~~ 2019, recommending whether or not to continue or expand the pilot project.

Sec. 4. Laws 2012, chapter 263, section 1, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective the day following final enactment ~~and applies to the 2013-2014 through 2017-2018 school years.~~

Sec. 5. **REPEALER.**

Minnesota Statutes 2012, sections 123B.15; 123B.16; 123B.17; 123B.18; 123B.26; and 123B.27, are repealed.

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

ARTICLE 3 EDUCATION EXCELLENCE

Section 1. Minnesota Statutes 2012, section 13.32, subdivision 6, is amended to read:

Subd. 6. **Admissions forms; remedial instruction.** (a) Minnesota postsecondary education institutions, for purposes of reporting and research, may collect on the 1986-1987 admissions form, and disseminate to any public educational agency or institution the following data on individuals: student sex, ethnic background, age, and disabilities. The data shall not be required of any individual and shall not be used for purposes of determining the person's admission to an institution.

(b) A school district that receives information under subdivision 3, paragraph (h) from a postsecondary institution about an identifiable student shall maintain the data as educational data and use that data to conduct studies to improve instruction. Public postsecondary systems ~~annually shall provide summary data to the Department of Education indicating as part of their participation in the Statewide Longitudinal Education Data System shall provide data on~~ the extent and content of the remedial instruction received ~~in each system during the prior academic year~~ by individual students, and the results of assessment testing and the academic performance of, students who graduated from a Minnesota school district within two years before receiving the remedial instruction. ~~The department Office of Higher Education, in collaboration with the Department of Education,~~ shall evaluate the data and annually report its findings to the education committees of the legislature.

(c) This section supersedes any inconsistent provision of law.

Sec. 2. Minnesota Statutes 2013 Supplement, section 120A.22, subdivision 5, is amended to read:

Subd. 5. **Ages and terms.** (a) Every child between seven and 17 years of age must receive instruction unless the child has graduated. Every child under the age of seven who is enrolled in a half-day kindergarten, or a full-day kindergarten program on alternate days, or other kindergarten programs shall receive instruction. Except as provided in subdivision 6, a parent may withdraw a child under the age of seven from enrollment at any time.

(b) A school district by annual board action may require children subject to this subdivision to receive instruction in summer school. A district that acts to require children to receive instruction in summer school shall establish at the time of its action the criteria for determining which children must receive instruction.

~~(c) A pupil 16 years of age or older who meets the criteria of section 124D.68, subdivision 2, may be assigned to an area learning center. Such assignment may be made only after consultation with the principal, area learning center director, and parent or guardian.~~

Sec. 3. Minnesota Statutes 2013 Supplement, section 120B.021, subdivision 4, is amended to read:

Subd. 4. **Revisions and reviews required.** (a) The commissioner of education must revise and appropriately embed technology and information literacy standards consistent with recommendations from school media specialists into the state's academic standards and graduation requirements and implement a ten-year cycle to review and revise state academic standards and related benchmarks, consistent with this subdivision. During each ten-year review and revision cycle, the commissioner also must examine the alignment of each required academic standard and related benchmark with the knowledge and skills students need for career and college readiness and advanced work in the particular subject area. The commissioner must include the contributions of Minnesota American Indian tribes and communities as related to the academic standards during the review and revision of the required academic standards.

(b) The commissioner must ensure that the statewide mathematics assessments administered to students in grades 3 through 8 and 11 are aligned with the state academic standards in mathematics, consistent with section 120B.30, subdivision 1, paragraph (b). The commissioner must implement a review of and, consistent with the review, revise the academic standards and related benchmarks in mathematics beginning in the 2015-2016 school year and every ten years thereafter.

(c) The commissioner must implement a review of and, consistent with the review, revise the academic standards and related benchmarks in arts beginning in the 2016-2017 school year and every ten years thereafter.

(d) The commissioner must implement a review of and, consistent with the review, revise the academic standards and related benchmarks in science beginning in the 2017-2018 school year and every ten years thereafter.

(e) The commissioner must implement a review of and, consistent with the review, revise the academic standards and related benchmarks in language arts beginning in the 2018-2019 school year and every ten years thereafter.

(f) The commissioner must implement a review of and, consistent with the review, revise the academic standards and related benchmarks in social studies beginning in the 2019-2020 school year and every ten years thereafter.

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

Sec. 4. Minnesota Statutes 2013 Supplement, section 120B.11, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** For the purposes of this section and section 120B.10, the following terms have the meanings given them.

(a) "Instruction" means methods of providing learning experiences that enable a student to meet state and district academic standards and graduation requirements including applied and experiential learning.

(b) "Curriculum" means district or school adopted programs and written plans for providing students with learning experiences that lead to expected knowledge and skills and career and college readiness.

(c) "World's best workforce" means striving to: meet school readiness goals; have all third grade students achieve grade-level literacy; close the academic achievement gap among all racial and ethnic groups of students and between students living in poverty and students not living in poverty; have all students attain career and college readiness before graduating from high school; and have all students graduate from high school.

(d) "Experiential learning" means learning for students that includes career exploration through a specific class or course or through work-based experiences such as job shadowing, mentoring, entrepreneurship, service learning, volunteering, internships, other cooperative work experience, youth apprenticeship, or employment.

Sec. 5. Minnesota Statutes 2013 Supplement, section 120B.11, subdivision 1a, is amended to read:

Subd. 1a. **Performance measures.** Measures to determine school district and school site progress in striving to create the world's best workforce must include at least:

(1) student performance on the National ~~Association~~ Assessment of Education Progress where applicable;

(2) the size of the academic achievement gap by student subgroup;

(3) student performance on the Minnesota Comprehensive Assessments;

(4) high school graduation rates; and

(5) career and college readiness under section 120B.30, subdivision 1.

Sec. 6. Minnesota Statutes 2013 Supplement, section 120B.115, is amended to read:

120B.115 REGIONAL CENTERS OF EXCELLENCE.

(a) Regional centers of excellence are established to assist and support school boards, school districts, school sites, and charter schools in implementing research-based interventions and practices to increase the students' achievement within a region. The centers must develop partnerships with local and regional service cooperatives, postsecondary institutions, integrated school districts, the department, children's mental health providers, or other local or regional entities interested in providing a cohesive and consistent regional delivery system that serves all schools equitably. Centers must assist school districts, school sites, and charter schools in developing similar partnerships. Center support may include assisting school districts, school sites, and charter schools with common principles of effective practice, including:

- (1) defining measurable education goals under section 120B.11, subdivision 2;
- (2) implementing evidence-based practices, including applied and experiential learning, contextualized learning, competency-based curricula and assessments, and other nontraditional learning opportunities, among other practices;
- (3) engaging in data-driven decision-making;
- (4) providing multilayered levels of support;
- (5) supporting culturally responsive teaching and learning aligning state and local academic standards and career and college readiness benchmarks; and
- (6) engaging parents, families, youth, and local community members in programs and activities at the school district, school site, or charter school.

Centers must work with school site leadership teams to build capacity to implement programs that close the achievement gap, increase students' progress and growth toward career and college readiness, and increase student graduation rates.

(b) The department must assist the regional centers of excellence to meet staff, facilities, and technical needs, provide the centers with programmatic support, and work with the centers to establish a coherent statewide system of regional support, including consulting, training, and technical support, to help school boards, school districts, school sites, and charter schools effectively and efficiently implement the world's best workforce goals under section 120B.11 and other state and federal education initiatives, including secondary and postsecondary career pathways and technical education.

Sec. 7. Minnesota Statutes 2013 Supplement, section 120B.125, is amended to read:

120B.125 PLANNING FOR STUDENTS' SUCCESSFUL TRANSITION TO POSTSECONDARY EDUCATION AND EMPLOYMENT; ~~INVOLUNTARY CAREER TRACKING PROHIBITED PERSONAL LEARNING PLANS.~~

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

(1) provide a comprehensive ~~academic plan for completing to prepare for and complete a college and career ready career and college-ready curriculum premised on~~ by meeting state and local academic standards and developing 21st century career and employment-related skills such as team work, collaboration, and good work habits;

(2) emphasize academic rigor and high expectations;

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

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

(4) ~~(5)~~ help students ~~gain access to postsecondary~~ education and career options;

(5) ~~(6)~~ integrate strong academic content into career-focused courses and applied and experiential learning opportunities and integrate relevant career-focused courses and applied and experiential learning opportunities into strong academic content;

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

(7) ~~(8)~~ help ~~students and families~~ identify collaborative partnerships ~~of among~~ kindergarten through grade 12 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

(8) ~~(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.

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

Sec. 8. Minnesota Statutes 2013 Supplement, section 120B.30, subdivision 1, is amended to read:

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

(1) Students enrolled in grade 8 through the 2009-2010 school year are eligible to be assessed under (i) the graduation-required assessment for diploma in reading, mathematics, or writing under Minnesota Statutes 2012, section 120B.30, subdivision 1, paragraphs (c), clauses (1) and (2), and (d), (ii) the WorkKeys job skills assessment, (iii) the Compass college placement test, (iv) the ACT assessment for college admission, or (v) a nationally recognized armed services vocational aptitude test.

(2) Students enrolled in grade 8 in the 2010-2011 or 2011-2012 school year are eligible to be assessed under (i) the graduation-required assessment for diploma in reading, mathematics, or writing under Minnesota Statutes 2012, section 120B.30, subdivision 1, paragraph (c), clauses (1) and (2), (ii) the WorkKeys job skills assessment, (iii) the Compass college placement test, (iv) the ACT assessment for college admission, or (v) a nationally recognized armed services vocational aptitude test.

(3) For students under clause (1) or (2), a school district may substitute a score from an alternative, equivalent assessment to satisfy the requirements of this paragraph.

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

(1) mathematics;

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

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

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

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

(c) For students enrolled in grade 8 in the 2012-2013 school year and later, students' state graduation requirements, based on a longitudinal, systematic approach to student education and career planning, assessment, instructional support, and evaluation, include the following:

(1) demonstrate understanding of required academic standards on a nationally normed college entrance exam;

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

(3) consistent with this paragraph and section 120B.125, age-appropriate exploration and planning activities and career assessments to encourage students to identify personally relevant career interests and aptitudes and help students and their families develop a regularly reexamined transition plan for postsecondary education or employment without need for postsecondary remediation.

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

Expectations of schools, districts, and the state for career or college readiness under this subdivision must be comparable in rigor, clarity of purpose, and rates of student completion. A student under clause (2) must receive targeted, relevant, academically rigorous, and resourced instruction, which may include a targeted instruction and

intervention plan focused on improving the student's knowledge and skills in core subjects so that the student has a reasonable chance to succeed in a career or college without need for postsecondary remediation. Consistent with sections 120B.13, 124D.09, 124D.091, 124D.49, and related sections, an enrolling school or district must actively encourage a student in grade 11 or 12 who is identified as academically ready for a career or college to participate in courses and programs awarding college credit to high school students. Students are not required to achieve a specified score or level of proficiency on an assessment under this subdivision to graduate from high school.

(d) To improve the secondary and postsecondary outcomes of all students, the alignment between secondary and postsecondary education programs and Minnesota's workforce needs, and the efficiency and cost-effectiveness of secondary and postsecondary programs, the commissioner, after consulting with the chancellor of the Minnesota State Colleges and Universities and using a request for proposal process, shall contract for a series of assessments that are consistent with this subdivision, aligned with state academic standards, and include career and college readiness benchmarks. Mathematics, reading, and writing assessments for students in grades 8 and 10 must be predictive of a nationally normed assessment for career and college readiness. This nationally recognized assessment must be a college entrance exam and given to students in grade 11. This series of assessments must include a college placement diagnostic exam and contain career exploration elements. The commissioner and the chancellor of the Minnesota State Colleges and Universities must collaborate in aligning instruction and assessments for adult basic education students and English learners to provide the students with diagnostic information about any targeted interventions, accommodations, modifications, and supports they need so that assessments and other performance measures are accessible to them and they may seek postsecondary education or employment without need for postsecondary remediation.

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

(2) Students in grade 10 or 11 not yet academically ready for a career or college based on their growth in academic achievement between grades 8 and 10 must take the college placement diagnostic exam before taking the college entrance exam under clause (3). Students, their families, the school, and the district can then use the results of the college placement diagnostic exam for targeted instruction, intervention, or remediation and improve students' knowledge and skills in core subjects sufficient for a student to graduate and have a reasonable chance to succeed in a career or college without remediation.

(3) All students except those eligible for alternative assessments must be given the college entrance part of these assessments in grade 11. A student under this clause who demonstrates attainment of required state academic standards, which include career and college readiness benchmarks, on these assessments is academically ready for a career or college and is encouraged to participate in courses awarding college credit to high school students. Such courses and programs may include sequential courses of study within broad career areas and technical skill assessments that extend beyond course grades.

(4) As appropriate, students through grade 12 must continue to participate in targeted instruction, intervention, or remediation and be encouraged to participate in courses awarding college credit to high school students.

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

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

(f) For students in grade 8 in the 2012-2013 school year and later, a school, district, or charter school must record on the high school transcript a student's progress toward career and college readiness, and for other students as soon as practicable.

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

(h) The 3rd through 7th grade computer-adaptive assessment results and grade 8 and high school test results shall be available to districts for diagnostic purposes affecting student learning and district instruction and curriculum, and for establishing educational accountability. The commissioner must establish empirically derived benchmarks on adaptive assessments in grades 3 through 7 that reveal a trajectory toward career and college readiness. The commissioner must disseminate to the public the computer-adaptive assessments, grade 8, and high school test results upon receiving those results.

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

(j) The commissioner shall include the following components in the statewide public reporting system:

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

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

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

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

(k) For purposes of statewide accountability, "career and college ready" means a high school graduate has the knowledge, skills, and competencies to successfully pursue a career pathway, including postsecondary credit leading to a degree, diploma, certificate, or industry-recognized credential and employment. Students who are career and college ready are able to successfully complete credit-bearing coursework at a two- or four-year college or university or other credit-bearing postsecondary program without need for remediation.

(1) For purposes of statewide accountability, "cultural competence," "cultural competency," or "culturally competent" means the ability and will to interact effectively with people of different cultures, native languages, and socioeconomic backgrounds.

Sec. 9. Minnesota Statutes 2013 Supplement, section 120B.35, subdivision 3, is amended to read:

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

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

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

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

The commissioner must report measures of student growth, consistent with this paragraph, including the English language development, academic progress, and oral academic development of English learners and their native language development if the native language is used as a language of instruction.

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

(1) a preparation measure indicating the number and percentage of high school graduates in the most recent school year who completed course work important to preparing them for postsecondary academic and career opportunities, consistent with the core academic subjects required for admission to Minnesota's public colleges and universities as determined by the Office of Higher Education under chapter 136A; and

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

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

(d) When reporting student performance under section 120B.36, subdivision 1, the commissioner annually, beginning July 1, 2014, must report summary data on school safety and students' engagement and connection at school. The summary data under this paragraph are separate from and must not be used for any purpose related to

measuring or evaluating the performance of classroom teachers. The commissioner, in consultation with qualified experts on student engagement and connection and classroom teachers, must identify highly reliable variables that generate summary data under this paragraph. The summary data may be used at school, district, and state levels only. Any data on individuals received, collected, or created that are used to generate the summary data under this paragraph are nonpublic data under section 13.02, subdivision 9.

(e) For purposes of statewide educational accountability, the commissioner must identify and report measures that demonstrate the success of learning year program providers under sections 123A.05 and 124D.68, among other such providers, in improving students' graduation outcomes. The commissioner, beginning July 1, 2015, must annually report summary data on:

- (1) the four- and six-year graduation rates of students under this paragraph;
- (2) the percent of students under this paragraph whose progress and performance levels are meeting career and college readiness benchmarks under section 120B.30, subdivision 1; and
- (3) the success that learning year program providers experience in:
 - (i) identifying at-risk and off-track student populations by grade;
 - (ii) providing successful prevention and intervention strategies for at-risk students;
 - (iii) providing successful recuperative and recovery or reenrollment strategies for off-track students; and
 - (iv) improving the graduation outcomes of at-risk and off-track students.

The commissioner may include in the annual report summary data on other education providers serving a majority of students eligible to participate in a learning year program.

Sec. 10. Minnesota Statutes 2012, section 120B.35, subdivision 4, is amended to read:

Subd. 4. **Improving schools.** Consistent with the requirements of this section, beginning June 20, 2012, the commissioner of education must annually report to the public and the legislature ~~the organizational and curricular best practices implemented in those schools that demonstrate medium and high growth compared to the state growth target.~~

Sec. 11. Minnesota Statutes 2013 Supplement, section 122A.09, subdivision 4, is amended to read:

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

(b) The board must adopt rules requiring a person to pass a skills examination in reading, writing, and mathematics or attain either a composite score composed of the average of the scores in English and writing, reading, and mathematics on the ACT Plus Writing recommended by the board, or an equivalent composite score composed of the average of the scores in critical reading, mathematics, and writing on the SAT recommended by the board, as a requirement for initial teacher licensure, except that the board may issue up to two ~~additional~~ temporary, one-year teaching licenses to an otherwise qualified candidate who has not yet passed the skills exam or attained the requisite composite score on the ACT Plus Writing or SAT. Such rules must require college and universities offering a board-approved teacher preparation program to provide remedial assistance to persons who did not achieve a qualifying score on the skills examination or attain the requisite composite score on the ACT Plus Writing or SAT, including those for whom English is a second language. The requirement to pass a reading, writing, and mathematics skills examination or attain the requisite composite score on the ACT Plus Writing or SAT does not

apply to nonnative English speakers, as verified by qualified Minnesota school district personnel or Minnesota higher education faculty, who, after meeting the content and pedagogy requirements under this subdivision, apply for a teaching license to provide direct instruction in their native language or world language instruction under section 120B.022, subdivision 1. A teacher candidate's official ACT Plus Writing or SAT composite score report to the board must not be more than ten years old at the time of licensure.

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

(d) The board must provide the leadership and adopt rules for the redesign of teacher education programs to implement a research based, results-oriented curriculum that focuses on the skills teachers need in order to be effective. The board shall implement new systems of teacher preparation program evaluation to assure program effectiveness based on proficiency of graduates in demonstrating attainment of program outcomes. Teacher preparation programs including alternative teacher preparation programs under section 122A.245, among other programs, must include a content-specific, board-approved, performance-based assessment that measures teacher candidates in three areas: planning for instruction and assessment; engaging students and supporting learning; and assessing student learning. The board's redesign rules must include creating flexible, specialized teaching licenses, credentials, and other endorsement forms to increase students' participation in language immersion programs, world language instruction, career development opportunities, work-based learning, early college courses and careers, career and technical programs, Montessori schools, and project and place-based learning, among other career and college ready learning offerings.

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

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

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

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

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

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

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

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

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

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

EFFECTIVE DATE. This section applies to persons applying to the Board of Teaching for their initial teaching license July 1, 2014, or later.

Sec. 12. Minnesota Statutes 2013 Supplement, section 122A.18, subdivision 2, is amended to read:

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

(b) The board must require a person to pass an examination of skills in reading, writing, and mathematics or attain either a composite score composed of the average of the scores in English and writing, reading, and mathematics on the ACT Plus Writing recommended by the board, or an equivalent composite score composed of the average of the scores in critical reading, mathematics, and writing on the SAT recommended by the board, before being granted an initial teaching license to provide direct instruction to pupils in prekindergarten, elementary, secondary, or special education programs, except that the board may issue up to two ~~additional~~ temporary, one-year teaching licenses to an otherwise qualified candidate who has not yet passed the skills exam or attained the requisite composite score on the ACT Plus Writing or SAT. The board must require colleges and universities offering a board approved teacher preparation program to make available upon request remedial assistance that includes a formal diagnostic component to persons enrolled in their institution who did not achieve a qualifying score on the skills examination or attain the requisite composite ACT Plus Writing or SAT score, including those for whom English is a second language. The colleges and universities must make available assistance in the specific academic areas of candidates' deficiency in which the person did not achieve a qualifying score. School districts may make available upon request similar, appropriate, and timely remedial assistance that includes a formal diagnostic component to those persons employed by the district who completed their teacher education program, who did not achieve a qualifying score on the skills examination, ~~including those persons for whom English is a second language~~

~~and persons under section 122A.23, subdivision 2, paragraph (h), who completed their teacher's education program outside the state of Minnesota or attain the requisite composite ACT Plus Writing or SAT score, and who received a temporary license to teach in Minnesota. The Board of Teaching shall report annually to the education committees of the legislature on the total number of teacher candidates during the most recent school year taking the skills examination, the number who achieve a qualifying score on the examination, the number who do not achieve a qualifying score on the examination, the distribution of all candidates' scores, the number of candidates who have taken the examination at least once before, and the number of candidates who have taken the examination at least once before and achieve a qualifying score, and the candidates who have not attained the requisite composite ACT Plus Writing or SAT score or have not passed a content or pedagogy exam, disaggregated by categories of race, ethnicity, and eligibility for financial aid.~~

(c) The Board of Teaching must grant continuing licenses only to those persons who have met board criteria for granting a continuing license, which includes passing the skills examination in reading, writing, and mathematics or attaining the requisite composite ACT Plus Writing or SAT score consistent with paragraph (b), and the exceptions in section 122A.09, subdivision 4, paragraph (b)-, that are consistent with this paragraph. The requirement to pass a reading, writing, and mathematics skills examination, or attain the requisite composite score on the ACT Plus Writing or SAT does not apply to nonnative English speakers, as verified by qualified Minnesota school district personnel or Minnesota higher education faculty, who, after meeting the content and pedagogy requirements under this subdivision, apply for a teaching license to provide direct instruction in their native language or world language instruction under section 120B.022, subdivision 1. A teacher candidate's official ACT Plus Writing or SAT composite score report to the board must not be more than ten years old at the time of licensure.

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

EFFECTIVE DATE. This section applies to persons applying to the Board of Teaching for their initial teaching license July 1, 2014, or later.

Sec. 13. Minnesota Statutes 2013 Supplement, section 122A.23, subdivision 2, is amended to read:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(h) The Board of Teaching must require an applicant for a teaching license or a temporary teaching license under this subdivision to pass a skills examination in reading, writing, and mathematics or demonstrate, consistent with section 122A.09, subdivision 4, the applicant's attainment of either the requisite composite ACT Plus Writing or SAT score before the board issues the license unless, notwithstanding other provisions of this subdivision, an applicable board-approved National Association of State Directors of Teacher Education interstate reciprocity agreement exists to allow fully certified teachers from other states to transfer their certification to Minnesota without need for additional exams or other preparation requirements. ~~Consistent with section 122A.18, subdivision 2, paragraph (b), and notwithstanding other provisions of this subdivision, the board may issue up to two additional temporary, one-year teaching licenses to an otherwise qualified applicant who has not yet passed the skills exam.~~

EFFECTIVE DATE. This section is effective July 1, 2014.

Sec. 14. Minnesota Statutes 2012, section 122A.40, subdivision 5, is amended to read:

Subd. 5. **Probationary period.** (a) The first three consecutive years of a teacher's first teaching experience in Minnesota in a single district is deemed to be a probationary period of employment, and, the probationary period in each district in which the teacher is thereafter employed shall be one year. The school board must adopt a plan for written evaluation of teachers during the probationary period that is consistent with subdivision 8. Evaluation must

occur at least three times periodically throughout each school year for a teacher performing services during that school year; the first evaluation must occur within the first 90 days of teaching service. Days devoted to parent-teacher conferences, teachers' workshops, and other staff development opportunities and days on which a teacher is absent from school must not be included in determining the number of school days on which a teacher performs services. Except as otherwise provided in paragraph (b), during the probationary period any annual contract with any teacher may or may not be renewed as the school board shall see fit. However, the board must give any such teacher whose contract it declines to renew for the following school year written notice to that effect before July 1. If the teacher requests reasons for any nonrenewal of a teaching contract, the board must give the teacher its reason in writing, including a statement that appropriate supervision was furnished describing the nature and the extent of such supervision furnished the teacher during the employment by the board, within ten days after receiving such request. The school board may, after a hearing held upon due notice, discharge a teacher during the probationary period for cause, effective immediately, under section 122A.44.

(b) A board must discharge a probationary teacher, effective immediately, upon receipt of notice under section 122A.20, subdivision 1, paragraph (b), that the teacher's license has been revoked due to a conviction for child abuse or sexual abuse.

(c) A probationary teacher whose first three years of consecutive employment are interrupted for active military service and who promptly resumes teaching consistent with federal reemployment timelines for uniformed service personnel under United States Code, title 38, section 4312(e), is considered to have a consecutive teaching experience for purposes of paragraph (a).

(d) A probationary teacher whose first three years of consecutive employment are interrupted for maternity, paternity, or medical leave and who resumes teaching within 12 months of when the leave began is considered to have a consecutive teaching experience for purposes of paragraph (a) if the probationary teacher completes a combined total of three years of teaching service immediately before and after the leave.

(e) A probationary teacher must complete at least 120 days of teaching service each year during the probationary period. Days devoted to parent-teacher conferences, teachers' workshops, and other staff development opportunities and days on which a teacher is absent from school do not count as days of teaching service under this paragraph.

EFFECTIVE DATE. This section is effective retroactively from January 1, 2013.

Sec. 15. Minnesota Statutes 2012, section 122A.40, subdivision 13, is amended to read:

Subd. 13. **Immediate discharge.** (a) Except as otherwise provided in paragraph (b), a board may discharge a continuing-contract teacher, effective immediately, upon any of the following grounds:

- (1) immoral conduct, insubordination, or conviction of a felony;
- (2) conduct unbecoming a teacher which requires the immediate removal of the teacher from classroom or other duties;
- (3) failure without justifiable cause to teach without first securing the written release of the school board;
- (4) gross inefficiency which the teacher has failed to correct after reasonable written notice;
- (5) willful neglect of duty; or
- (6) continuing physical or mental disability subsequent to a 12 months leave of absence and inability to qualify for reinstatement in accordance with subdivision 12.

For purposes of this paragraph, conduct unbecoming a teacher includes an unfair discriminatory practice described in section 363A.13.

Prior to discharging a teacher under this paragraph, the board must notify the teacher in writing and state its ground for the proposed discharge in reasonable detail. Within ten days after receipt of this notification the teacher may make a written request for a hearing before the board and it shall be granted before final action is taken. The board may suspend a teacher with pay pending the conclusion of the hearing and determination of the issues raised in the hearing after charges have been filed which constitute ground for discharge. If a teacher has been charged with a felony and the underlying conduct that is the subject of the felony charge is a ground for a proposed immediate discharge, the suspension pending the conclusion of the hearing and determination of the issues may be without pay. If a hearing under this paragraph is held, the board must reimburse the teacher for any salary or compensation withheld if the final decision of the board or the arbitrator does not result in a penalty to or suspension, termination, or discharge of the teacher.

(b) A board must discharge a continuing-contract teacher, effective immediately, upon receipt of notice under section 122A.20, subdivision 1, paragraph (b), that the teacher's license has been revoked due to a conviction for child abuse or sexual abuse.

(c) When a teacher is discharged under paragraph (b) or when the commissioner makes a final determination of child maltreatment involving a teacher under section 626.556, subdivision 11, the school principal or other person having administrative control of the school must include in the teacher's employment record the information contained in the record of the disciplinary action or the final maltreatment determination, consistent with the definition of public data under section 13.41, subdivision 5, and must provide the Board of Teaching and the licensing division at the department with the necessary and relevant information to enable the Board of Teaching and the department's licensing division to fulfill their statutory and administrative duties related to issuing, renewing, suspending, or revoking a teacher's license. Information received by the Board of Teaching or the licensing division at the department under this paragraph is governed by section 13.41 or other applicable law governing data of the receiving entity. In addition to the background check required under section 123B.03, a school board or other school hiring authority must contact the Board of Teaching and the department to determine whether the teacher's license has been suspended or revoked, consistent with the discharge and final maltreatment determinations identified in this paragraph.

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

Sec. 16. Minnesota Statutes 2012, section 122A.41, subdivision 2, is amended to read:

Subd. 2. **Probationary period; discharge or demotion.** (a) All teachers in the public schools in cities of the first class during the first three years of consecutive employment shall be deemed to be in a probationary period of employment during which period any annual contract with any teacher may, or may not, be renewed as the school board, after consulting with the peer review committee charged with evaluating the probationary teachers under subdivision 3, shall see fit. The school site management team or the school board if there is no school site management team, shall adopt a plan for a written evaluation of teachers during the probationary period according to subdivisions 3 and 5. Evaluation by the peer review committee charged with evaluating probationary teachers under subdivision 3 shall occur at least three times periodically throughout each school year for a teacher performing services during that school year; the first evaluation must occur within the first 90 days of teaching service. Days devoted to parent-teacher conferences, teachers' workshops, and other staff development opportunities and days on which a teacher is absent from school shall not be included in determining the number of school days on which a teacher performs services. The school board may, during such probationary period, discharge or demote a teacher for any of the causes as specified in this code. A written statement of the cause of such discharge or demotion shall be given to the teacher by the school board at least 30 days before such removal or demotion shall become effective, and the teacher so notified shall have no right of appeal therefrom.

(b) A probationary teacher whose first three years of consecutive employment are interrupted for active military service and who promptly resumes teaching consistent with federal reemployment timelines for uniformed service personnel under United States Code, title 38, section 4312(e), is considered to have a consecutive teaching experience for purposes of paragraph (a).

(c) A probationary teacher whose first three years of consecutive employment are interrupted for maternity, paternity, or medical leave and who resumes teaching within 12 months of when the leave began is considered to have a consecutive teaching experience for purposes of paragraph (a) if the probationary teacher completes a combined total of three years of teaching service immediately before and after the leave.

(d) A probationary teacher must complete at least 120 days of teaching service each year during the probationary period. Days devoted to parent-teacher conferences, teachers' workshops, and other staff development opportunities and days on which a teacher is absent from school do not count as days of teaching service under this paragraph.

EFFECTIVE DATE. This section is effective retroactively from January 1, 2013.

Sec. 17. Minnesota Statutes 2012, section 122A.41, subdivision 6, is amended to read:

Subd. 6. **Grounds for discharge or demotion.** (a) Except as otherwise provided in paragraph (b), causes for the discharge or demotion of a teacher either during or after the probationary period must be:

- (1) immoral character, conduct unbecoming a teacher, or insubordination;
- (2) failure without justifiable cause to teach without first securing the written release of the school board having the care, management, or control of the school in which the teacher is employed;
- (3) inefficiency in teaching or in the management of a school, consistent with subdivision 5, paragraph (b);
- (4) affliction with active tuberculosis or other communicable disease must be considered as cause for removal or suspension while the teacher is suffering from such disability; or
- (5) discontinuance of position or lack of pupils.

For purposes of this paragraph, conduct unbecoming a teacher includes an unfair discriminatory practice described in section 363A.13.

(b) A probationary or continuing-contract teacher must be discharged immediately upon receipt of notice under section 122A.20, subdivision 1, paragraph (b), that the teacher's license has been revoked due to a conviction for child abuse or sexual abuse.

(c) When a teacher is discharged under paragraph (b) or when the commissioner makes a final determination of child maltreatment involving a teacher under section 626.556, subdivision 11, the school principal or other person having administrative control of the school must include in the teacher's employment record the information contained in the record of the disciplinary action or the final maltreatment determination, consistent with the definition of public data under section 13.41, subdivision 5, and must provide the Board of Teaching and the licensing division at the department with the necessary and relevant information to enable the Board of Teaching and the department's licensing division to fulfill their statutory and administrative duties related to issuing, renewing, suspending, or revoking a teacher's license. Information received by the Board of Teaching or the licensing division at the department under this paragraph is governed by section 13.41 or other applicable law

governing data of the receiving entity. In addition to the background check required under section 123B.03, a school board or other school hiring authority must contact the Board of Teaching and the department to determine whether the teacher's license has been suspended or revoked, consistent with the discharge and final maltreatment determinations identified in this paragraph.

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

Sec. 18. Minnesota Statutes 2012, section 122A.48, subdivision 3, is amended to read:

Subd. 3. **Employment as substitute exemptions for retired teachers.** Notwithstanding the provisions of subdivision 2, a teacher who has entered into an agreement for termination of services and withdrawal from active teaching service with an early retirement incentive may be employed as a substitute teacher, behind-the-wheel instructor, or coach after retirement.

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

Sec. 19. Minnesota Statutes 2012, section 122A.60, subdivision 1a, is amended to read:

Subd. 1a. **Effective staff development activities.** (a) Staff development activities must:

- (1) focus on the school classroom and research-based strategies that improve student learning;
- (2) provide opportunities for teachers to practice and improve their instructional skills over time;
- (3) provide opportunities for teachers to use student data as part of their daily work to increase student achievement;
- (4) enhance teacher content knowledge and instructional skills, including to accommodate the delivery of digital and blended learning and curriculum and engage students with technology;
- (5) align with state and local academic standards;
- (6) provide opportunities to build professional relationships, foster collaboration among principals and staff who provide instruction, and provide opportunities for teacher-to-teacher mentoring; ~~and~~
- (7) align with the plan of the district or site for an alternative teacher professional pay system; and
- (8) provide opportunities for staff to learn about current workforce trends, the connections between workforce trends and postsecondary education, and training options, including career and technical education options.

Staff development activities may include curriculum development and curriculum training programs, and activities that provide teachers and other members of site-based teams training to enhance team performance. The school district also may implement other staff development activities required by law and activities associated with professional teacher compensation models.

(b) Release time provided for teachers to supervise students on field trips and school activities, or independent tasks not associated with enhancing the teacher's knowledge and instructional skills, such as preparing report cards, calculating grades, or organizing classroom materials, may not be counted as staff development time that is financed with staff development reserved revenue under section 122A.61.

Sec. 20. Minnesota Statutes 2012, section 122A.60, subdivision 2, is amended to read:

Subd. 2. **Contents of plan.** The plan must include the staff development outcomes under subdivision 3, the means to achieve the outcomes, and procedures for evaluating progress at each school site toward meeting education outcomes, consistent with relicensure requirements under section 122A.18, subdivision 4. The plan also must:

(1) support stable and productive professional communities achieved through ongoing and schoolwide progress and growth in teaching practice;

(2) emphasize coaching, professional learning communities, classroom action research, and other job-embedded models;

(3) maintain a strong subject matter focus premised on students' learning goals, consistent with section 120B.125;

(4) ensure specialized preparation and learning about issues related to teaching English learners and students with special needs; and

(5) reinforce national and state standards of effective teaching practice.

Sec. 21. Minnesota Statutes 2012, section 122A.60, subdivision 3, is amended to read:

Subd. 3. **Staff development outcomes.** The advisory staff development committee must adopt a staff development plan for improving student achievement. The plan must be consistent with education outcomes that the school board determines. The plan must include ongoing staff development activities that contribute toward continuous improvement in achievement of the following goals:

(1) improve student achievement of state and local education standards in all areas of the curriculum, including areas of regular academic and applied and experiential learning, by using best practices methods;

(2) effectively meet the needs of a diverse student population, including at-risk children, children with disabilities, and gifted children, within the regular classroom, applied and experiential learning settings, and other settings;

(3) provide an inclusive curriculum for a racially, ethnically, and culturally diverse student population that is consistent with the state education diversity rule and the district's education diversity plan;

(4) improve staff collaboration and develop mentoring and peer coaching programs for teachers new to the school or district;

(5) effectively teach and model violence prevention policy and curriculum that address early intervention alternatives, issues of harassment, and teach nonviolent alternatives for conflict resolution;

(6) effectively deliver digital and blended learning and curriculum and engage students with technology; and

(7) provide teachers and other members of site-based management teams with appropriate management and financial management skills.

Sec. 22. **[123A.215] INNOVATIVE TECHNOLOGY COOPERATIVE.**

Subdivision 1. Establishment and organization. (a) Two or more independent school districts may enter into an agreement to establish an innovative cooperative center to provide for technology and other educational services upon the vote of a majority of the full membership of each of the boards of the districts entering into the agreement. The agreement may also provide for membership by a Minnesota state college or university under section 136F.01. When a resolution approving this action has been adopted by the board of a district, the resolution shall be published once in a newspaper of general circulation in the district.

(b) The agreement may provide for the center to be organized into up to four regions. A region may consist of only school districts, only higher education institutions, or a combination of both.

Subd. 2. Name. A public corporation so created shall be known as(insert name).... Cooperative Center No. and shall have an identification number assigned according to section 123A.56.

Subd. 3. Governing board. (a) The center must be operated by a center board consisting of 12 members. Membership on the center board must be established under the agreement in subdivision 1, paragraph (a), consistent with the requirements of this paragraph. If organized into regions, each region shall have equal representation on the center board. No more than four board members of the center board may represent higher education institutions. Center board membership for individual school districts or a region including school districts must include one superintendent with the remaining school district positions filled by school board members. When possible, no school district may have more than one representative.

(b) The terms of office of the first members of the center board must be determined by lot as follows: one-third of the members for one year, one-third of the members for two years, and the remainder of the members for three years, all terms to expire on June 30 of the appropriate year. Thereafter, the terms shall be for three years commencing on July 1 of each year. If a vacancy occurs on the center board, it must be filled by the district, by the members of the appropriate region, or by the higher education members, within 90 days. A person appointed to the center board shall qualify as a center board member by filing with the chair a written certificate of appointment from the appointing school board.

(c) The first meeting of a center board must be at a time mutually agreed upon by center board members. At this meeting, the center board must choose its officers and conduct any other necessary organizational business. Thereafter, the center board must meet on July 1 of each year or as soon thereafter as practicable pursuant to notice sent to all center board members by the chief executive officer of the center.

(d) The officers of the center board shall be a chair, vice-chair, clerk, and treasurer, no two of whom when possible shall be from the same school district. The chair shall preside at all meetings of the center board, except that in the chair's absence the vice-chair shall preside. The clerk shall keep a complete record of the minutes of each meeting and the treasurer shall be the custodian of the funds of the center. Insofar as applicable, sections 123B.09, 123B.14, 123B.143, and 123B.147, shall apply to the board and officers of the center.

(e) A majority of the center board shall be a quorum. Any motion other than adjournment shall pass only upon receiving a majority of the votes of the entire center board.

Subd. 4. Center powers and duties. (a) The center board shall have the general charge of the business of the center. Where applicable, sections 123B.51 and 123B.52, subdivision 4, shall apply. The center board may not issue bonds on its behalf.

(b) The center board may furnish technology offerings to any eligible person residing in any participating district and may provide any other educational programs or services agreed upon by the participating members. Academic offerings shall be provided only under the direction of properly licensed academic supervisory personnel.

(c) The center board must employ an executive director, contract with necessary qualified teachers and administrators, and may discharge the same for cause pursuant to section 122A.40. The authority for selection and employment of a director shall be vested in the center board. Notwithstanding the provisions of section 122A.40, subdivision 10 or 11, no individual shall have a right to employment as a director based on seniority or order of employment by the center. The center board may employ and discharge other necessary employees and may contract for other services deemed necessary.

(d) The center board may prescribe rates of tuition for services provided to nonmember students.

Subd. 5. **Finances.** (a) The center board established under this section is a public corporation and agency and may receive and disburse federal, state, and local funds made available to it. A participating school district or member must not have any additional individual liability for the debts or obligations of the center except that assessment which has been certified as its proportionate share in accordance with paragraph (b) and subdivision 4. A member of the center board shall have the liability that is applicable to a member of an independent school district board. Any property, real or personal, acquired or owned by the center board for its purposes shall be exempt from taxation by the state or any of its political subdivisions.

(b) The center board may, in each year, for the purpose of paying any administrative, planning, operating, or capital expenses incurred or to be incurred, assess and certify to each participating school district its proportionate share of any and all expenses. This share must be based upon an equitable distribution formula agreed upon by the participating districts. Each participating district shall remit its assessment to the center board within 30 days after receipt.

Subd. 6. **Laws governing independent school districts apply.** As of the effective date of the creation of any center as contained in the agreement establishing the center, the organization, operation, maintenance, and conduct of the affairs of the center shall be governed by the general laws relating to independent school districts of the state unless provided otherwise in statute. The center does not have the authority to issue bonds or impose a property tax levy.

Subd. 7. **Addition and withdrawal of districts.** Upon approval by majority vote of a school board and of the center board, an adjoining district may become a member in the center and be governed by the provisions of this section and the agreement in effect. Any participating district may withdraw from the center and from the agreement in effect by a majority vote of the full board membership of the participating district desiring withdrawal and upon compliance with provisions in the agreement establishing the center. Upon receipt of the withdrawal resolution reciting the necessary facts, the center board must file a certified copy with the county auditors of the counties affected. The withdrawal shall become effective at the end of the next following school year, but the withdrawal shall not affect the continued liability of the withdrawing district for liabilities incurred prior to the effective withdrawal date.

Subd. 8. **Dissolution.** The boards of each participating district may agree to dissolve the center effective at the end of any school year or at an earlier time as they may mutually agree. A dissolution must be accomplished in accordance with any applicable provisions of the agreement establishing the center. Upon receipt of the dissolution resolutions from the boards of the participating districts, the center board shall file a certified copy with the county auditors of the counties affected. The dissolution must not affect the continuing liability of the previously participating districts for any continuing obligations, including unemployment benefits.

EFFECTIVE DATE. This section is effective July 1, 2014.

Sec. 23. Minnesota Statutes 2012, section 124D.03, subdivision 3, is amended to read:

Subd. 3. **Pupil application procedures.** In order that a pupil may attend a school or program in a nonresident district, the pupil's parent or guardian must submit an application to the nonresident district. ~~Before submitting an application, the pupil and the pupil's parent or guardian must explore with a school guidance counselor, or other appropriate staff member employed by the district the pupil is currently attending, the pupil's academic or other reason for applying to enroll in a nonresident district.~~ The pupil's application must identify ~~the~~ a reason for enrolling in the nonresident district. The parent or guardian of a pupil must submit ~~an~~ a signed application by January 15 for initial enrollment beginning the following school year. The application must be on a form provided by the Department of Education. A particular school or program may be requested by the parent. Once enrolled in a nonresident district, the pupil may remain enrolled and is not required to submit annual or periodic applications. If the student moves to a new resident district, the student retains the seat in the nonresident district, but must submit a new enrollment options form to update the student's information. To return to the resident district or to transfer to a different nonresident district, the parent or guardian of the pupil must provide notice to the resident district or apply to a different nonresident district by January 15 for enrollment beginning the following school year.

Sec. 24. Minnesota Statutes 2012, section 124D.03, subdivision 4, is amended to read:

Subd. 4. **~~Desegregation~~ Achievement and integration district transfers.** (a) This subdivision applies to a transfer into or out of a district that has ~~a desegregation~~ an achievement and integration plan approved by the commissioner of education under sections 124D.861 and 124D.862.

(b) An application to transfer may be submitted at any time for enrollment beginning at any time.

(c) A pupil enrolled in a nonresident district under ~~a desegregation~~ an achievement and integration plan approved by the commissioner of education is not required to make annual or periodic application for enrollment but may remain enrolled in the same district. A pupil may transfer to the resident district at any time.

(d) Subdivision 2 applies to a transfer into or out of a district with ~~a desegregation~~ an achievement and integration plan.

Sec. 25. Minnesota Statutes 2012, section 124D.03, subdivision 5, is amended to read:

Subd. 5. **Nonresident district procedures.** A district shall notify the parent or guardian in writing by February 15 or within 90 days for applications submitted after January 15 in the case of achievement and integration district transfers whether the application has been accepted or rejected. If an application is rejected, the district must state in the notification the reason for rejection. The parent or guardian must notify the nonresident district by March 1 or within 45 days whether the pupil intends to enroll in the nonresident district. Notice of intent to enroll in the nonresident district obligates the pupil to attend the nonresident district during the following school year, unless the boards of the resident and the nonresident districts agree in writing to allow the pupil to transfer back to the resident district, ~~or~~. If the pupil's parents or guardians change residence to another district, the student does not lose the seat in the nonresident district but the parent or guardian must complete an updated enrollment options form. If a parent or guardian does not notify the nonresident district by the January 15 deadline, if it applies, the pupil may not enroll in that nonresident district during the following school year, unless the boards of the resident and nonresident district agree otherwise. The nonresident district must notify the resident district by March 15 or 30 days later of the pupil's intent to enroll in the nonresident district. The same procedures apply to a pupil who applies to transfer from one participating nonresident district to another participating nonresident district.

Sec. 26. Minnesota Statutes 2012, section 124D.03, is amended by adding a subdivision to read:

Subd. 5a. **Lotteries.** If a school district has more applications than available seats at a specific grade level, it must hold an impartial lottery following the January 15 deadline to determine which students will receive seats. Siblings of currently enrolled students and applications related to an approved integration and achievement plan must receive priority in the lottery. The process for the school district lottery must be established in school district policy, approved by the school board, and be posted on the school district's Web site.

Sec. 27. Minnesota Statutes 2012, section 124D.03, subdivision 6, is amended to read:

Subd. 6. **Basis for decisions.** The board must adopt, by resolution, specific standards for acceptance and rejection of applications. Standards may include the capacity of a program, excluding special education services; class; or school building. The school board may not reject applications for enrollment in a particular grade level if the nonresident enrollment at that grade level does not exceed the limit set by the board under subdivision 2. Standards may not include previous academic achievement, athletic or other extracurricular ability, disabling conditions, proficiency in the English language, previous disciplinary proceedings, or the student's district of residence, except where the district of residence is directly included in an enrollment options strategy included in an approved achievement and integration program.

Sec. 28. **[124D.061] EXPERIENTIAL AND APPLIED LEARNING OPPORTUNITIES FOR STUDENTS.**

(a) To strengthen the alignment between career and college ready curriculum and state and local academic standards and increase students' opportunities for participating in applied and experiential learning in a nontraditional setting, school districts are encouraged to provide programs such as magnet schools, language immersion programs, project-based learning, accelerated learning, college prep schools, career and technical education, Montessori schools, military schools, work-based schools, and place-based learning. Districts may provide such programs independently or in cooperation with other districts, at a school single site, for particular grades, or throughout the district. In addition to meeting the other accountability measures under chapter 120B, districts may declare that a student meets or exceeds specific academic standards required for graduation under the rigorous course of study waiver in section 120B.021, subdivision 1a, where appropriate.

(b) The board of a district that chooses to participate must publicly adopt and review a plan for providing a program under this section. The plan must: define the program and its structure; describe the enrollment process; identify measures and processes for regularly assessing, evaluating, and publicly reporting on program efficacy and use summary data to show student progress and outcomes; and establish a data-informed public process for modifying and revising the plan as needed. A district must publish its plan contents and evaluation outcomes on the district Web site.

(c) For purposes of further integrating experiential and applied learning into career and college ready curricula, the commissioner may request program information from providing districts under this section.

EFFECTIVE DATE. This section is effective for the 2014-2015 school year and later.

Sec. 29. Minnesota Statutes 2012, section 124D.09, subdivision 9, is amended to read:

Subd. 9. **Enrollment priority.** (a) A postsecondary institution shall give priority to its postsecondary students when enrolling 10th, 11th, and 12th grade pupils in its courses. A postsecondary institution may provide information about its programs to a secondary school or to a pupil or parent and it may advertise or otherwise recruit or solicit a secondary pupil to enroll in its programs on educational and programmatic grounds only. An institution must not enroll secondary pupils, for postsecondary enrollment options purposes, in remedial, developmental, or

other courses that are not college level except when a student eligible to participate in the graduation incentives program under section 124D.68 enrolls full time in a middle or early college program specifically designed to allow the student to earn dual high school and college credit. In this case, the student shall receive developmental college credit and not college credit for completing remedial or developmental courses. Once a ~~any~~ pupil has been enrolled in a postsecondary course under this section, the pupil shall not be displaced by another student.

(b) If a postsecondary institution enrolls a secondary school pupil in a course under this section, the postsecondary institution also must enroll in the same course an otherwise enrolled and qualified postsecondary student who qualifies as a veteran under section 197.447, and demonstrates to the postsecondary institution's satisfaction that the institution's established enrollment timelines were not practicable for that student.

EFFECTIVE DATE. This section is effective July 1, 2014.

Sec. 30. Minnesota Statutes 2013 Supplement, section 124D.10, subdivision 1, is amended to read:

Subdivision 1. **Purposes.** (a) The primary purpose of this section is to improve all pupil learning and all student achievement. Additional purposes include to:

- (1) increase learning opportunities for all pupils;
- (2) encourage the use of different and innovative teaching methods;
- (3) measure learning outcomes and create different and innovative forms of measuring outcomes;
- (4) establish new forms of accountability for schools; or
- (5) create new professional opportunities for teachers, including the opportunity to be responsible for the learning program at the school site.

(b) This section does not provide a means to keep open a school that a school board decides to close. However, a school board may endorse or authorize the establishing of a charter school to replace the school the board decided to close. Applicants seeking a charter under this circumstance must demonstrate to the authorizer that the charter sought is substantially different in purpose and program from the school the board closed and that the proposed charter satisfies the requirements of this subdivision. If the school board that closed the school authorizes the charter, it must document in its affidavit to the commissioner that the charter is substantially different in program and purpose from the school it closed.

An authorizer shall not approve an application submitted by a charter school developer under subdivision 4, paragraph (a), if the application does not comply with this subdivision. The commissioner shall not approve an affidavit submitted by an authorizer under subdivision 4, paragraph (b), if the affidavit does not comply with this subdivision.

Sec. 31. Minnesota Statutes 2013 Supplement, section 124D.10, subdivision 3, is amended to read:

Subd. 3. **Authorizer.** (a) For purposes of this section, the terms defined in this subdivision have the meanings given them.

"Application" to receive approval as an authorizer means the proposal an eligible authorizer submits to the commissioner under paragraph (c) before that authorizer is able to submit any affidavit to charter to a school.

"Application" under subdivision 4 means the charter school business plan a school developer submits to an authorizer for approval to establish a charter school that documents the school developer's mission statement, school purposes, program design, financial plan, governance and management structure, and background and experience, plus any other information the authorizer requests. The application also shall include a "statement of assurances" of legal compliance prescribed by the commissioner.

"Affidavit" means a written statement the authorizer submits to the commissioner for approval to establish a charter school under subdivision 4 attesting to its review and approval process before chartering a school.

(b) The following organizations may authorize one or more charter schools:

(1) a school board, intermediate school district school board, or education district organized under sections 123A.15 to 123A.19;

(2) a charitable organization under section 501(c)(3) of the Internal Revenue Code of 1986, excluding a nonpublic sectarian or religious institution; any person other than a natural person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with the nonpublic sectarian or religious institution; and any other charitable organization under this clause that in the federal IRS Form 1023, Part IV, describes activities indicating a religious purpose, that:

(i) is a member of the Minnesota Council of Nonprofits or the Minnesota Council on Foundations;

(ii) is registered with the attorney general's office; and

(iii) is incorporated in the state of Minnesota and has been operating continuously for at least five years but does not operate a charter school;

(3) a Minnesota private college, notwithstanding clause (2), that grants two- or four-year degrees and is registered with the Minnesota Office of Higher Education under chapter 136A; community college, state university, or technical college governed by the Board of Trustees of the Minnesota State Colleges and Universities; or the University of Minnesota;

(4) a nonprofit corporation subject to chapter 317A, described in section 317A.905, and exempt from federal income tax under section 501(c)(6) of the Internal Revenue Code of 1986, may authorize one or more charter schools if the charter school has operated for at least three years under a different authorizer and if the nonprofit corporation has existed for at least 25 years; or

(5) single-purpose authorizers ~~that are formed as~~ charitable, nonsectarian organizations ~~formed~~ under section 501(c)(3) of the Internal Revenue Code of 1986 and incorporated in the state of Minnesota under chapter 317A as a corporation with no members ~~whose or under section 322B.975 as a nonprofit limited liability company for the sole purpose is to charter or chartering~~ schools. Eligible organizations interested in being approved as an authorizer under this paragraph must submit a proposal to the commissioner that includes the provisions of paragraph (c) and a five-year financial plan. Such authorizers shall consider and approve charter school applications using the criteria provided in subdivision 4 and shall not limit the applications it solicits, considers, or approves to any single curriculum, learning program, or method.

(c) An eligible authorizer under this subdivision must apply to the commissioner for approval as an authorizer before submitting any affidavit to the commissioner to charter a school. The application for approval as a charter school authorizer must demonstrate the applicant's ability to implement the procedures and satisfy the criteria for chartering a school under this section. The commissioner must approve or disapprove an application within 45 business days of the application deadline. If the commissioner disapproves the application, the commissioner must

notify the applicant of the specific deficiencies in writing and the applicant then has 20 business days to address the deficiencies to the commissioner's satisfaction. After the 20 business days expire, the commissioner has 15 business days to make a final decision to approve or disapprove the application. Failing to address the deficiencies to the commissioner's satisfaction makes an applicant ineligible to be an authorizer. The commissioner, in establishing criteria for approval, must consider the applicant's:

- (1) capacity and infrastructure;
- (2) application criteria and process;
- (3) contracting process;
- (4) ongoing oversight and evaluation processes; and
- (5) renewal criteria and processes.

(d) An applicant must include in its application to the commissioner to be an approved authorizer at least the following:

- (1) how chartering schools is a way for the organization to carry out its mission;
 - (2) a description of the capacity of the organization to serve as an authorizer, including the personnel who will perform the authorizing duties, their qualifications, the amount of time they will be assigned to this responsibility, and the financial resources allocated by the organization to this responsibility;
 - (3) a description of the application and review process the authorizer will use to make decisions regarding the granting of charters;
 - (4) a description of the type of contract it will arrange with the schools it charters that meets the provisions of subdivision 6;
 - (5) the process to be used for providing ongoing oversight of the school consistent with the contract expectations specified in clause (4) that assures that the schools chartered are complying with both the provisions of applicable law and rules, and with the contract;
 - (6) a description of the criteria and process the authorizer will use to grant expanded applications under subdivision 4, paragraph (j);
 - (7) the process for making decisions regarding the renewal or termination of the school's charter based on evidence that demonstrates 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.
- (e) A disapproved applicant under this section may resubmit an application during a future application period.
- (f) If the governing board of an approved authorizer votes to withdraw as an approved authorizer for a reason unrelated to any cause under subdivision 23, the authorizer must notify all its chartered schools and the commissioner in writing by July 15 of its intent to withdraw as an authorizer on June 30 in the next calendar year. The commissioner may approve the transfer of a charter school to a new authorizer under this paragraph after the new authorizer submits an affidavit to the commissioner.

(g) The authorizer must participate in department-approved training.

(h) The commissioner shall review an authorizer's performance every five years in a manner and form determined by the commissioner and may review an authorizer's performance more frequently at the commissioner's own initiative or at the request of a charter school operator, charter school board member, or other interested party. The commissioner, after completing the review, shall transmit a report with findings to the authorizer. If, consistent with this section, the commissioner finds that an authorizer has not fulfilled the requirements of this section, the commissioner may subject the authorizer to corrective action, which may include terminating the contract with the charter school board of directors of a school it chartered. The commissioner must notify the authorizer in writing of any findings that may subject the authorizer to corrective action and the authorizer then has 15 business days to request an informal hearing before the commissioner takes corrective action. If the commissioner terminates a contract between an authorizer and a charter school under this paragraph, the commissioner may assist the charter school in acquiring a new authorizer.

(i) The commissioner may at any time take corrective action against an authorizer, including terminating an authorizer's ability to charter a school for:

(1) failing to demonstrate the criteria under paragraph (c) under which the commissioner approved the authorizer;

(2) violating a term of the chartering contract between the authorizer and the charter school board of directors;

(3) unsatisfactory performance as an approved authorizer; or

(4) any good cause shown that provides the commissioner a legally sufficient reason to take corrective action against an authorizer.

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

Sec. 32. Minnesota Statutes 2013 Supplement, section 124D.10, subdivision 4, is amended to read:

Subd. 4. **Formation of school.** (a) An authorizer, after receiving an application from a school developer, may charter a licensed teacher under section 122A.18, subdivision 1, or a group of individuals that includes one or more licensed teachers under section 122A.18, subdivision 1, to operate a school subject to the commissioner's approval of the authorizer's affidavit under paragraph (b). The school must be organized and operated as a nonprofit corporation under chapter 317A and the provisions under the applicable chapter shall apply to the school except as provided in this section.

Notwithstanding sections 465.717 and 465.719, a school district, subject to this section and section 124D.11, may create a corporation for the purpose of establishing a charter school.

(b) Before the operators may establish and operate a school, the authorizer must file an affidavit with the commissioner stating its intent to charter a school. An authorizer must file a separate affidavit for each school it intends to charter. An authorizer must file an affidavit by May 1 to be able to charter a new school in the next school year after the commissioner approves the authorizer's affidavit. The affidavit must state the terms and conditions under which the authorizer would charter a school and how the authorizer intends to oversee the fiscal and student performance of the charter school and to comply with the terms of the written contract between the authorizer and the charter school board of directors under subdivision 6. The commissioner must approve or disapprove the authorizer's affidavit within 60 business days of receipt of the affidavit. If the commissioner disapproves the affidavit, the commissioner shall notify the authorizer of the deficiencies in the affidavit and the authorizer then has 20 business days to address the deficiencies. The commissioner must notify the authorizer of

final approval or disapproval within 15 business days after receiving the authorizer's response to the deficiencies in the affidavit. If the authorizer does not address deficiencies to the commissioner's satisfaction, the commissioner's disapproval is final. Failure to obtain commissioner approval precludes an authorizer from chartering the school that is the subject of this affidavit.

(c) The authorizer may prevent an approved charter school from opening for operation if, among other grounds, the charter school violates this section or does not meet the ready-to-open standards that are part of the authorizer's oversight and evaluation process or are stipulated in the charter school contract.

(d) The operators authorized to organize and operate a school, before entering into a contract or other agreement for professional or other services, goods, or facilities, must incorporate as a nonprofit corporation under chapter 317A and must establish a board of directors composed of at least five members who are not related parties until a timely election for members of the ongoing charter school board of directors is held according to the school's articles and bylaws under paragraph (f). A charter school board of directors must be composed of at least five members who are not related parties. Staff members employed at the school, including teachers providing instruction under a contract with a cooperative, members of the board of directors, and all parents or legal guardians of children enrolled in the school are the voters eligible to elect the members of the school's board of directors. A charter school must notify eligible voters of the school board election dates at least 30 days before the election. Board of director meetings must comply with chapter 13D.

(e) A charter school shall publish and maintain on the school's official Web site: (1) the minutes of meetings of the board of directors, and of members and committees having any board-delegated authority, for at least one calendar year from the date of publication; (2) directory information for members of the board of directors and committees having board-delegated authority; and (3) identifying and contact information for the school's authorizer. Identifying and contact information for the school's authorizer must be included in other school materials made available to the public. Upon request of an individual, the charter school must also make available in a timely fashion financial statements showing all operations and transactions affecting income, surplus, and deficit during the school's last annual accounting period; and a balance sheet summarizing assets and liabilities on the closing date of the accounting period. A charter school also must include that same information about its authorizer in other school materials that it makes available to the public.

(f) Every charter school board member shall attend annual training throughout the member's term on the board. 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 months after being seated and complete that training within 12 months of being seated on the board is automatically ineligible to continue to serve as a board member. The school shall include in its annual report the training attended by each board member during the previous year.

(g) The ongoing board must be elected before the school completes its third year of operation. Board elections must be held during the school year but may not be conducted on days when the school is closed for holidays, breaks, or vacations. The charter school board of directors shall be composed of at least five nonrelated members and include: (i) at least one licensed teacher employed as a teacher at the school or providing instruction under contract between the charter school and a cooperative; (ii) at least one parent or legal guardian of a student enrolled in the charter school who is not an employee of the charter school; and (iii) at least one interested community member who resides in Minnesota and is not employed by the charter school and does not have a child enrolled in the school. The board may include a majority of teachers described in this paragraph or parents or community members, or it may have no clear majority. The chief financial officer and the chief administrator may only serve as ex-officio nonvoting board members. No charter school employees shall serve on the board other than teachers under item (i). Contractors providing facilities, goods, or services to a charter school shall not serve on the board of directors of the charter school. 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 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) with the authorizer's approval.

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

(h) The granting or renewal of a charter by an authorizer must not be conditioned upon the bargaining unit status of the employees of the school.

(i) The granting or renewal of a charter school by an authorizer must not be contingent on the charter school being required to contract, lease, or purchase services from the authorizer. Any potential contract, lease, or purchase of service from an authorizer must be disclosed to the commissioner, accepted through an open bidding process, and be a separate contract from the charter contract. The school must document the open bidding process. An authorizer must not enter into a contract to provide management and financial services for a school that it authorizes, unless the school documents that it received at least two competitive bids.

~~(j) An authorizer may permit the board of directors of a charter school to expand the operation of the charter school to additional sites or grades at the school beyond those described in the authorizer's original affidavit as approved by the commissioner only after submitting a supplemental affidavit for approval to the commissioner in a form and manner prescribed by the commissioner. The supplemental affidavit must document that:~~

~~(1) the proposed expansion plan demonstrates need and projected enrollment;~~

~~(2) the expansion is warranted, at a minimum, by longitudinal data demonstrating students' improved academic performance and growth on statewide assessments under chapter 120B;~~

~~(3) the charter school is financially sound and the financing it needs to implement the proposed expansion exists; and~~

~~(4) the charter school has the governance structure and management capacity to carry out its expansion.~~

(j) A charter school may apply to the authorizer to amend the school charter to expand the operation of the school to additional grades or sites that would be students' primary enrollment site beyond those defined in the original affidavit approved by the commissioner. After approving the school's application, the authorizer shall submit a supplementary affidavit in the form and manner prescribed by the commissioner. The authorizer must file a supplement affidavit by October 1 to be eligible to expand in the next school year. The supplementary affidavit must document that the school has demonstrated to the satisfaction of the authorizer the following:

(1) the need for the expansion with supporting long-range enrollment projections;

(2) a longitudinal record of demonstrated student academic performance and growth on statewide assessments under chapter 120B or on other academic assessments that measure longitudinal student performance and growth approved by the charter school's board of directors and agreed upon with the authorizer;

(3) a history of sound school finances and a finance plan to implement the expansion in a manner to promote the school's financial sustainability; and

(4) board capacity and an administrative and management plan to implement its expansion.

(k) The commissioner shall have 30 business days to review and comment on the supplemental affidavit. The commissioner shall notify the authorizer in writing of any deficiencies in the supplemental affidavit and the authorizer then has 20 business days to address, to the commissioner's satisfaction, any deficiencies in the supplemental affidavit. The commissioner must notify the authorizer of final approval or disapproval with 15 business days after receiving the authorizer's response to the deficiencies in the affidavit. The school may not expand grades or add sites until the commissioner has approved the supplemental affidavit. The commissioner's approval or disapproval of a supplemental affidavit is final.

Sec. 33. Minnesota Statutes 2013 Supplement, section 124D.10, subdivision 6, is amended to read:

Subd. 6. **Charter contract.** The authorization for a charter school must be in the form of a written contract signed by the authorizer and the board of directors of the charter school. The contract must be completed within 45 business days of the commissioner's approval of the authorizer's affidavit. The authorizer shall submit to the commissioner a copy of the signed charter contract within ten business days of its execution. The contract for a charter school must be in writing and contain at least the following:

(1) a declaration that the charter school will carry out the primary purpose in subdivision 1 and how the school will report its implementation of the primary purpose;

(2) a declaration of the additional purpose or purposes in subdivision 1 that the school intends to carry out and how the school will report its implementation of those purposes;

(3) a description of the school program and the specific academic and nonacademic outcomes that pupils must achieve;

(4) a statement of admission policies and procedures;

(5) a governance, management, and administration plan for the school;

(6) signed agreements from charter school board members to comply with all federal and state laws governing organizational, programmatic, and financial requirements applicable to charter schools;

(7) the criteria, processes, and procedures that the authorizer will use to monitor and evaluate the fiscal, operational, and academic performance consistent with subdivision 15, paragraphs (a) and (b);

(8) for contract renewal, the formal written performance evaluation of the school that is a prerequisite for reviewing a charter contract under subdivision 15;

(9) types and amounts of insurance liability coverage to be obtained by the charter school, consistent with subdivision 8, paragraph (k);

(10) consistent with subdivision 25, paragraph (d), a provision to indemnify and hold harmless the authorizer and its officers, agents, and employees from any suit, claim, or liability arising from any operation of the charter school, and the commissioner and department officers, agents, and employees notwithstanding section 3.736;

(11) the term of the initial contract, which may be up to five years plus an additional preoperational planning year, and up to five years for a renewed contract or a contract with a new authorizer after a transfer of authorizers, if warranted by the school's academic, financial, and operational performance;

(12) how the board of directors or the operators of the charter school will provide special instruction and services for children with a disability under sections 125A.03 to 125A.24, and 125A.65, a description of the financial parameters within which the charter school will operate to provide the special instruction and services to children with a disability;

(13) the specific conditions for contract renewal that identify performance of all students under the primary purpose of subdivision 1 as the most important factor in determining contract renewal;

(14) the additional purposes under subdivision 1, paragraph (a), and related performance obligations under clause (7) contained in the charter contract as additional factors in determining contract renewal; and

(15) the plan for an orderly closing of the school under chapter 317A, whether the closure is a termination for cause, a voluntary termination, or a nonrenewal of the contract, that includes establishing the responsibilities of the school board of directors and the authorizer and notifying the commissioner, authorizer, school district in which the charter school is located, and parents of enrolled students about the closure, information and assistance sufficient to enable the student to re-enroll in another school, the transfer of student records under subdivision 8, paragraph (p), and procedures for closing financial operations.

Sec. 34. Minnesota Statutes 2013 Supplement, section 124D.10, subdivision 6a, is amended to read:

Subd. 6a. **Audit report.** (a) The charter school must submit an audit report to the commissioner and its authorizer by December 31 each year.

(b) The charter school, with the assistance of the auditor conducting the audit, must include with the report, as supplemental information, a copy of ~~all charter school agreements for corporate management services, including parent company or other administrative, financial, and staffing services~~ management agreements with a charter management organization or an educational management organization and service agreements or contracts over the lesser of \$100,000 or ten percent of the school's most recent annual audited expenditures. 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.

(c) A charter school independent audit report shall include audited financial data of an affiliated building corporation or other component unit.

(d) 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 material weakness will be resolved. 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.

Sec. 35. Minnesota Statutes 2013 Supplement, section 124D.10, subdivision 8, is amended to read:

Subd. 8. **Federal, state, and local requirements.** (a) A charter school shall meet all federal, state, and local health and safety requirements applicable to school districts.

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

(c) A school authorized by a school board may be located in any district, unless the school board of the district of the proposed location disapproves by written resolution.

(d) A charter school must be nonsectarian in its programs, admission policies, employment practices, and all other operations. An authorizer may not authorize a charter school or program that is affiliated with a nonpublic sectarian school or a religious institution. A charter school student must be released for religious instruction, consistent with section 120A.22, subdivision 12, clause (3).

(e) Charter schools must not be used as a method of providing education or generating revenue for students who are being home-schooled. This paragraph does not apply to shared time aid under section 126C.19.

(f) The primary focus of a charter school must be to provide a comprehensive program of instruction for at least one grade or age group from five through 18 years of age. Instruction may be provided to people ~~younger than five years and~~ older than 18 years of age. A charter school may offer a free preschool or prekindergarten that meets high quality early learning instructional program standards that are aligned with Minnesota's early learning standards for children.

(g) A charter school may not charge tuition.

(h) A charter school is subject to and must comply with chapter 363A and section 121A.04.

(i) Once a student is enrolled in the school, the student is considered enrolled in the school until the student formally withdraws 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, and the Minnesota Public School Fee Law, sections 123B.34 to 123B.39.

(j) A charter school is subject to the same financial audits, audit procedures, and audit requirements as a district, except as required under subdivision 6a. Audits must be conducted in compliance with generally accepted governmental auditing standards, the federal Single Audit Act, if applicable, and section 6.65. 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; 471.38; 471.391; 471.392; and 471.425. The audit must comply with the requirements of sections 123B.75 to 123B.83, except to the extent deviations are necessary because of the program at the school. Deviations must be approved by the commissioner and authorizer. The Department of Education, state auditor, legislative auditor, or authorizer may conduct financial, program, or compliance audits. A charter school determined to be in statutory operating debt under sections 123B.81 to 123B.83 must submit a plan under section 123B.81, subdivision 4.

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

(l) A charter school must comply with chapters 13 and 13D; and sections 120A.22, subdivision 7; 121A.75; and 260B.171, subdivisions 3 and 5.

(m) A charter school is subject to the Pledge of Allegiance requirement under section 121A.11, subdivision 3.

(n) A charter school offering online courses or programs must comply with section 124D.095.

(o) A charter school and charter school board of directors are subject to chapter 181.

(p) A charter school must comply with section 120A.22, subdivision 7, governing the transfer of students' educational records and sections 138.163 and 138.17 governing the management of local records.

(q) A charter school that provides early childhood health and developmental screening must comply with sections 121A.16 to 121A.19.

(r) A charter school that provides school-sponsored youth athletic activities must comply with section 121A.38.

(s) A charter school is subject to and must comply with continuing truant notification under section 260A.03.

(t) A charter school must develop and implement a teacher evaluation and peer review process under section 122A.40, subdivision 8, paragraph (b), clauses (2) to (12). The teacher evaluation process in this paragraph does not create any additional employment rights for teachers.

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

(v) A charter school must comply with all pupil transportation requirements in section 123B.88, subdivision 1. A charter school must not require parents to surrender their rights to pupil transportation under section 123B.88, subdivision 2.

Sec. 36. Minnesota Statutes 2013 Supplement, section 124D.10, subdivision 9, is amended to read:

Subd. 9. **Admission requirements.** (a) A charter school 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 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 a township and admits students in prekindergarten 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 subdivision 8, paragraph (f), 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 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 subdivision.

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

EFFECTIVE DATE. This section is effective for the 2014-2015 school year and later.

Sec. 37. Minnesota Statutes 2013 Supplement, section 124D.10, subdivision 17a, is amended to read:

Subd. 17a. **Affiliated nonprofit building corporation.** (a) ~~Before~~ A charter school may organize an affiliated nonprofit building corporation ~~(i) (1) to renovate or purchase, expand, or renovate an existing facility to serve as a school or (ii) (2) to expand an existing building or construct a new school facility, an authorizer must submit an affidavit to the commissioner for approval in the form and manner the commissioner prescribes, and consistent with paragraphs (b) and (c) or (d). if the charter school:~~

(i) has been in operation for at least six consecutive years;

(ii) as of June 30 has a net positive unreserved general fund balance in the preceding three fiscal years;

(iii) has long-range strategic and financial plans that include enrollment projections for at least five years;

(iv) completes a feasibility study of facility options that outlines the benefits and costs of the options; and

(v) has a plan for purchase, renovation, or new construction which describes project parameters and budget.

(b) An affiliated nonprofit building corporation under this subdivision must:

(1) be incorporated under section 317A;

(2) comply with applicable Internal Revenue Service regulations, including regulations for "supporting organizations" as defined by the Internal Revenue Service;

(3) post on the school Web site the name, mailing address, bylaws, minutes of board meetings, and the names of the current board of directors of the affiliated nonprofit building corporation;

~~(3) (4) submit to the commissioner each fiscal year a list of current board members and a copy of its annual audit by December 31 of each year; and~~

~~(4) (5) comply with government data practices law under chapter 13.~~

(c) An affiliated nonprofit building corporation must not serve as the leasing agent for property or facilities it does not own. A charter school that leases a facility from an affiliated nonprofit building corporation that does not own the leased facility is ineligible to receive charter school lease aid. The state is immune from liability resulting from a contract between a charter school and an affiliated nonprofit building corporation.

~~(e) A charter school may organize an affiliated nonprofit building corporation to renovate or purchase an existing facility to serve as a school if the charter school:~~

~~(1) has been operating for at least five consecutive school years;~~

~~(2) has had a net positive unreserved general fund balance as of June 30 in the preceding five fiscal years;~~

~~(3) has a long-range strategic and financial plan;~~

~~(4) completes a feasibility study of available buildings;~~

~~(5) documents enrollment projections and the need to use an affiliated building corporation to renovate or purchase an existing facility to serve as a school; and~~

~~(6) has a plan for the renovation or purchase, which describes the parameters and budget for the project.~~

~~(d) A charter school may organize an affiliated nonprofit building corporation to expand an existing school facility or construct a new school facility if the charter school:~~

~~(1) demonstrates the lack of facilities available to serve as a school;~~

~~(2) has been operating for at least eight consecutive school years;~~

~~(3) has had a net positive unreserved general fund balance as of June 30 in the preceding five fiscal years;~~

~~(4) completes a feasibility study of facility options;~~

~~(5) has a long-range strategic and financial plan that includes enrollment projections and demonstrates the need for constructing a new school facility; and~~

~~(6) has a plan for the expansion or new school facility, which describes the parameters and budget for the project.~~

(d) Once an affiliated nonprofit building corporation is incorporated under this subdivision, the authorizer of the school must oversee the efforts of the school's board of directors to ensure the affiliated nonprofit building corporation complies with all legal requirements governing the affiliated nonprofit building corporation. A school's board of directors that fails to ensure the affiliated nonprofit building corporation's compliance violates its responsibilities and an authorizer must factor the failure into the authorizer's evaluation of the school.

Sec. 38. Minnesota Statutes 2013 Supplement, section 124D.10, subdivision 17b, is amended to read:

Subd. 17b. **Positive review and comment.** ~~A charter school or an affiliated nonprofit building corporation organized by a charter school must not initiate an installment contract for purchase, or a lease agreement, or solicit bids for new construction, expansion, or remodeling of an educational facility that requires an expenditure in excess of \$1,400,000, unless it meets the criteria in subdivision 17a, paragraph (b) and paragraph (c) or (d), as applicable, and receives a positive review and comment from the commissioner under section 123B.71. A charter school or its affiliated nonprofit building corporation must receive a positive review and comment from the commissioner before initiating any purchase agreement or construction contract that requires an expenditure in excess of the threshold specified in section 123B.71, subdivision 8, for school districts that do not have a capital loan outstanding. A purchase agreement or construction contract finalized before a positive review and comment is null and void.~~

Sec. 39. Minnesota Statutes 2013 Supplement, section 124D.11, subdivision 4, is amended to read:

Subd. 4. **Building lease aid.** (a) When a charter school finds it economically advantageous to rent or lease a building or land for any instructional purposes and it determines that the total operating capital revenue under section 126C.10, subdivision 13, is insufficient for this purpose, it may apply to the commissioner for building lease aid for this purpose. The commissioner must review and either approve or deny a lease aid application using the following criteria:

(1) the reasonableness of the price based on current market values;

(2) the extent to which the lease conforms to applicable state laws and rules; and

(3) the appropriateness of the proposed lease in the context of the space needs and financial circumstances of the charter school. The commissioner must approve aid only for a facility lease that has (i) a sum certain annual cost and (ii) ~~an escape clause the charter school may exercise if its charter contract is terminated or not renewed~~ a closure clause that relieves the school from its lease obligations if the charter contract is terminated or not renewed. Nothing in this clause exempts the charter school from any lease obligations before the effective date on which the charter contract is terminated or not renewed.

A charter school must not use the building lease aid it receives for custodial, maintenance service, utility, or other operating costs.

(b) The amount of annual building lease aid for a charter school shall not exceed the lesser of (1) 90 percent of the approved cost or (2) the product of the pupil units served for the current school year times \$1,314.

Sec. 40. Minnesota Statutes 2013 Supplement, section 124D.4531, subdivision 1, is amended to read:

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

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

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

(3) contracted services provided by a public or private agency other than a Minnesota school district or cooperative center under ~~subdivision 7~~ chapter 123A or 136D;

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

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

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

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

(8) specialized vocational instructional supplies.

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

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

~~(d)~~ (c) The amount of the revenue calculated under this subdivision may not exceed \$17,850,000 for taxes payable in 2012, \$15,520,000 for taxes payable in 2013, and \$20,657,000 for taxes payable in 2014.

~~(e)~~ (d) If the estimated revenue exceeds the amount in paragraph ~~(d)~~ (c), the commissioner must reduce the percentage in paragraph (a) until the estimated revenue no longer exceeds the limit in paragraph ~~(d)~~ (c).

Sec. 41. Minnesota Statutes 2013 Supplement, section 124D.4531, subdivision 3, is amended to read:

Subd. 3. **Revenue guarantee.** Notwithstanding subdivision 1, paragraph (a), the career and technical education revenue for a district is not less than the lesser of:

- (1) the district's career and technical education revenue for the previous fiscal year; or
- (2) 100 percent of the approved expenditures for career and technical programs included in subdivision 1, paragraph ~~(b)~~ (a), for the fiscal year in which the levy is certified.

Sec. 42. Minnesota Statutes 2013 Supplement, section 124D.4531, subdivision 3a, is amended to read:

Subd. 3a. **Revenue adjustments.** Notwithstanding subdivisions 1, 1a, and 3, for taxes payable in 2012 to 2014 only, the department must calculate the career and technical revenue for each district according to Minnesota Statutes 2010, section 124D.4531, and adjust the revenue for each district proportionately to meet the statewide revenue target under subdivision 1, paragraph ~~(d)~~ (c). For purposes of calculating the revenue guarantee under subdivision 3, the career and technical education revenue for the previous fiscal year is the revenue according to Minnesota Statutes 2010, section 124D.4531, before adjustments to meet the statewide revenue target.

Sec. 43. Minnesota Statutes 2013 Supplement, section 124D.52, subdivision 8, is amended to read:

Subd. 8. **Standard high school diploma for adults.** ~~(a) Consistent with subdivision 9, the commissioner shall adopt rules for providing~~ provide for a standard adult high school diploma to persons who:

- (1) are not eligible for kindergarten through grade 12 services;
- (2) do not have a high school diploma; and
- (3) successfully complete an adult basic education program of instruction approved by the commissioner of education necessary to earn an adult high school diploma.

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

EFFECTIVE DATE. This section is effective August 1, 2014.

Sec. 44. Minnesota Statutes 2012, section 124D.52, is amended by adding a subdivision to read:

Subd. 9. Standard adult high school diploma requirements. (a) The commissioner must establish criteria and requirements for eligible adult basic education consortia under section 124D.518, subdivision 2, to effectively operate and provide instruction under this subdivision.

(b) An eligible and interested adult basic education consortium must apply to the commissioner, in the form and manner determined by the commissioner, for approval to provide an adult high school diploma program to eligible students under subdivision 8, paragraph (a). An approved consortium annually must submit to the commissioner the longitudinal and evaluative data, identified in the consortium's application, to demonstrate its compliance with applicable federal and state law and its approved application and the efficacy of its adult high school diploma program. The commissioner must use the data to evaluate whether or not to reapprove an eligible consortium every fifth year. The commissioner, at the commissioner's discretion, may reevaluate the compliance or efficacy of a program provider sooner than every fifth year. The commissioner may limit the number or size of adult high school diploma programs based on identified community needs, available funding, other available resources, or other relevant criteria identified by the commissioner.

(c) At the time a student applies for admission to an adult high school diploma program, the program provider must work with the student applicant to:

(1) identify the student's learning goals, skills and experiences, required competencies already completed, and goals and options for viable career pathways;

(2) assess the student's instructional needs; and

(3) develop an individualized learning plan to guide the student in completing adult high school diploma requirements and realizing career goals identified in the plan.

To fully implement the learning plan, the provider must provide the student with ongoing advising, monitor the student's progress toward completing program requirements and receiving a diploma, and provide the student with additional academic support services when needed. At the time a student satisfactorily completes all program requirements and is eligible to receive a diploma, the provider must conduct a final student interview to examine both student and program outcomes related to the student's ability to demonstrate required competencies and complete program requirements and to assist the student with the student's transition to training, a career, or postsecondary education.

(d) Competencies and other program requirements must be rigorous, uniform throughout the state, and align to Minnesota academic high school standards applicable to adult learners and their career and college needs. The commissioner must establish competencies, skills, and knowledge requirements in the following areas, consistent with this paragraph:

(1) language arts, including reading, writing, speaking, and listening;

(2) mathematics;

(3) career development and employment-related skills;

(4) social studies; and

(5) science.

(e) Consistent with criteria established by the commissioner, students may demonstrate satisfactory completion of program requirements through verification of the student's:

(1) prior experiences, including kindergarten through grade 12 courses and programs, postsecondary courses and programs, adult basic education instruction, and other approved experiences aligned with the Minnesota academic high school standards applicable to adult learners and their career and college needs;

(2) knowledge and skills as measured or demonstrated by valid and reliable high school assessments, secondary credentials, adult basic education programs, and postsecondary entrance exams;

(3) adult basic education instruction and course completion; and

(4) applied and experiential learning acquired via contextualized projects and other approved learning opportunities.

(f) Program providers must transmit a student's record of work to another approved consortium for any student who transfers between approved programs under this subdivision. The commissioner must establish a uniform format and transcript to record a student's record of work and also the manner under which approved consortia maintain permanent student records and transmit transferred student records. At a student's request, a program provider must transmit the student's record of work to other entities such as a postsecondary institution or employer.

(g) The commissioner may issue a standard adult high school diploma and transmit the transcript and record of work of the student who receives the diploma. Alternatively, a school district that is a member of an approved consortium providing a program under this subdivision may issue a district diploma to a student who satisfactorily completes the requirements for a standard adult high school diploma under this subdivision.

(h) The commissioner must identify best practices for adult basic education programs and develop adult basic education recommendations consistent with this subdivision to assist approved consortia in providing an adult high school diploma program. The commissioner must provide assistance to consortia providing an approved adult high school diploma program.

(i) The commissioner must consult with practitioners from throughout Minnesota, including educators, school board members, and school administrators, among others, who are familiar with adult basic education students and programs, on establishing the standards, requirements, and other criteria needed to ensure, consistent with subdivision 8, that persons with a standard adult high school diploma are as equally well prepared and qualified graduates as persons with a standard high school diploma. The commissioner, in consultation with the practitioners, shall regularly review program requirements and diploma standards.

EFFECTIVE DATE. This section is effective August 1, 2014.

Sec. 45. Minnesota Statutes 2012, section 124D.896, is amended to read:

124D.896 DESEGREGATION/INTEGRATION AND INCLUSIVE EDUCATION RULES.

(a) ~~By January 10, 1999,~~ The commissioner shall propose rules relating to desegregation/integration and inclusive education, consistent with sections 124D.861 and 124D.862.

(b) In adopting a rule related to school desegregation/integration, the commissioner shall address the need for equal educational opportunities for all students and racial balance as defined by the commissioner.

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

Sec. 46. Minnesota Statutes 2012, section 127A.70, is amended by adding a subdivision to read:

Subd. 2a. **Career pathways and technical education; key elements; stakeholder collaboration.** (a) The partnership must work with representatives of the Department of Education, the Department of Employment and Economic Development, the Department of Labor, the Board of Teaching, the Board of School Administrators, trade associations, local and regional employers, local school boards, adult basic education program providers,

postsecondary institutions, parents, other interested and affected education stakeholders, and other major statewide educational groups and constituencies to recommend to the legislature ways to identify specific policy, administrative, and statutory changes needed under sections 120B.11, 120B.125, 122A.09, 122A.14, 122A.18, and 122A.60, among other statutory provisions, to effect and, if appropriate, revise a comprehensive, effective, and publicly accountable P-20 education system premised on developing, implementing, and realizing students' individual career and college readiness plans and goals. In developing its recommendations, the partnership must consider how best to:

(1) provide students regular and frequent access to multiple qualified individuals within the school and local and regional community who have access to reliable and accurate information, resources, and technology the students need to successfully pursue career and technical education, other postsecondary education, or work-based training options;

(2) regularly engage students in planning and continually reviewing their own career and college readiness plans and goals and in pursuing academic and applied and experiential learning that helps them realize their goals; and

(3) identify and apply valid and reliable measures of student progress and program efficacy that, among other requirements, can accommodate students' prior education-related experiences and applied and experiential learning that students acquire via contextualized projects and other recognized learning opportunities.

(b) The partnership must recommend to the commissioner of education and representatives of secondary and postsecondary institutions and programs how to organize and implement a framework of the foundational knowledge and skills and career fields, clusters, and pathways for students enrolled in a secondary school, postsecondary institution, or work-based program. The key elements of these programs of study for students pursuing postsecondary workforce training or other education must include:

(1) competency-based curricula aligned with industry expectations and skill standards;

(2) sequential course offerings that gradually build students' skills, enabling students to graduate from high school and complete postsecondary programs;

(3) flexible and segmented course and program formats to accommodate students' interests and needs;

(4) course portability to allow students to seamlessly progress in the students' education and career; and

(5) effective and sufficiently strong P-20 connections to facilitate students' uninterrupted skill building, provide students with career opportunities, and align academic credentials with opportunities for advancement in high-skill, high-wage, and high-demand occupations.

(c) Stakeholders under this paragraph must examine possibilities for redesigning teacher and school administrator licensure requirements, and make recommendations to the Board of Teaching and the Board of School Administrators, respectively, to create specialized licenses, credentials, and other endorsement forms to increase students' participation in language immersion programs, world language instruction, career development opportunities, work-based learning, early college courses and careers, career and technical education programs, Montessori schools, and project and place-based learning, among other career and college-ready opportunities. Consistent with the possibilities for redesigning educators' licenses, the stakeholders also must examine how to restructure staff development and training opportunities under sections 120B.125 and 122A.60 to realize the goals of this subdivision.

(d) The partnership must recommend to the Department of Education, the Department of Employment and Economic Development, and postsecondary institutions and systems how best to create a mobile, Web-based hub for students and their families that centralizes existing resources on careers and employment trends and the educational pathways required to attain such careers and employment.

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

Sec. 47. Minnesota Statutes 2012, section 128C.02, subdivision 5, is amended to read:

Subd. 5. **Rules for open enrollees.** (a) The league shall adopt league rules and regulations governing the athletic participation of pupils attending school in a nonresident district under section 124D.03.

(b) Notwithstanding other law or league rule or regulation to the contrary, when a student enrolls in or is readmitted to a recovery-focused high school after successfully completing a licensed program for treatment of alcohol or substance abuse, mental illness, or emotional disturbance, the student is immediately eligible to participate on the same basis as other district students in the league-sponsored activities of the student's resident school district. Nothing in this paragraph prohibits the league or school district from enforcing a league or district penalty resulting from the student violating a league or district rule.

(c) The league shall adopt league rules making a student with an individualized education program or a 504 plan who transfers from one public school to another public school as a reasonable accommodation to reduce barriers to educational access immediately eligible to participate in league-sponsored varsity competition on the same basis as other students in the school to which the student transfers.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to all transfers initiated after that date.

Sec. 48. Laws 2011, First Special Session chapter 11, article 2, section 12, the effective date, is amended to read:

EFFECTIVE DATE. ~~This section applies to all collective bargaining agreements ratified after~~ is effective July 1, 2013.

Sec. 49. **CONSULTATION; CAREER AND TECHNICAL EDUCATION PROGRAMS.**

(a) The commissioner of education must consult with experts knowledgeable about secondary and postsecondary career and technical education programs to determine the content and status of particular career and technical education programs in Minnesota school districts, including cooperating districts under Minnesota Statutes, section 123A.33, subdivision 2, integration districts, and postsecondary institutions partnering with school districts or offering courses through PSEO or career and technical programs and the rates of student participation and completion for these various programs, including: agriculture, food, and natural resources; architecture and construction; arts, audiovisual technology, and communications; business management and administration; computer science; family and consumer science; finance; health science; hospitality and tourism; human services; information technology; manufacturing; marketing; science, technology, engineering, and mathematics; and transportation, distribution, and logistics.

(b) To accomplish paragraph (a) and to understand the current role of local school districts and postsecondary institutions in providing career and technical education programs, the commissioner of education, in consultation with experts, also must examine the extent to which secondary and postsecondary education programs offer students a progression of coordinated, nonduplicative courses that adequately prepare students to successfully complete a career and technical education program.

(c) The commissioner of education must submit a report by February 1, 2015, to the education policy and finance committees of the legislature, consistent with this section, and include information about each district's dedicated equipment, resources, and relationships with postsecondary institutions.

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

Sec. 50. SCHOOL YEAR-LONG STUDENT TEACHING PILOT PROGRAM.

Subdivision 1. Establishment; planning; eligibility. (a) A school year-long student teaching pilot program for the 2015-2016 through 2018-2019 school years is established to provide teacher candidates with intensified and authentic classroom learning and experience so that newly licensed teachers, equipped with the best research and best practices available, can immediately begin work to increase student growth and achievement.

(b) An approved teacher preparation program, interested in participating in a school year-long student teaching pilot program in partnership with one or more school districts or charter schools, is eligible to participate in this pilot program if, during the 2014-2015 school year, the interested teacher preparation program identifies needed changes to its program curriculum, develops an implementation plan, and receives Board of Teaching approval to modify its board application for this pilot program, and meets the criteria under subdivision 2.

Subd. 2. Application and selection process. (a) An approved teacher preparation program in partnership with one or more school districts or charter schools may apply to the Board of Teaching, in the form and manner determined by the board, to participate in the pilot program under this section. Consistent with subdivision 1, paragraph (b), the application must demonstrate the applicant's interest and ability to offer teacher candidates a school year-long student teaching program that combines clinical opportunities with academic course work and in-depth student teaching experiences. A student teacher under this pilot program must have: ongoing access to a team of teacher mentors to demonstrate to the student teacher various teaching methods, philosophies, and classroom environments; ongoing coaching and assessment; assistance in preparing an individual professional development plan that includes goals, activities, and assessment methodologies; structured learning experiences provided by the teacher preparation institution or program in collaboration with local or regional education professionals or other community experts; and receive payment for student teaching time.

(b) The board must make an effort to select qualified and diverse applicants from throughout the state.

Subd. 3. Annual report; evaluation. The board annually must transmit to the education policy and finance committees of the legislature no later than February 1 a data-based report showing the efforts and progress program participants made in preparing successful newly licensed teachers.

EFFECTIVE DATE. This section is effective for the 2014-2015 through 2018-2019 school years.

Sec. 51. STAFF DEVELOPMENT.

Notwithstanding Minnesota Statutes, sections 122A.60 and 122A.61, or other law to the contrary, districts participating in a partnership with an approved teacher preparation program may use staff development revenue to offer teacher candidates a school year-long student teaching program under section 43.

Sec. 52. LEGISLATIVE REPORT ON K-12 STUDENTS' EXPERIENCE WITH PHYSICAL EDUCATION.

(a) The commissioner of education must prepare and submit to the education policy and finance committees of the legislature by January 15, 2015, a written report on K-12 students' experience with physical education, consistent with this section. Among other physical education-related issues, the report must include:

(1) the number of minutes per day and frequency per week students in each grade level, kindergarten through grade 8, receive physical education and identify the requirements in high school physical education in terms of semesters, quarters, or school years;

(2) the measures and data used to assess students' level of fitness and the uses made of the fitness data;

(3) the educational preparation of physical education instructors and the proportion of time certified physical education teachers provide physical education instruction;

(4) the amount of time and number of days per week each grade level, kindergarten through grade 6, receives recess;

(5) whether high school students are allowed to substitute other activities for required physical education, and, if so, which activities qualify;

(6) the number or percentage of high school students who earn required physical education credits online; and

(7) whether schools offer before or after school physical activities opportunities in each grade level, kindergarten through grade 8, and in high school, and, if so, what are the opportunities.

(b) Any costs of preparing this report must be paid for out of the Department of Education's current operating budget.

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

Sec. 53. **BETTER ALIGNING MINNESOTA'S ALTERNATIVE TEACHER PROFESSIONAL PAY SYSTEM AND TEACHER EVALUATION PROGRAM.**

To better align Minnesota's alternative teacher professional pay system under Minnesota Statutes, sections 122A.413 to 122A.416, and Minnesota's teacher evaluation program under Minnesota Statutes, sections 122A.40, subdivision 8, and 122A.41, subdivision 5, and effect and fund an improved alignment of this system and program, the commissioner of education must consult with stakeholders, including representatives of the Minnesota Association of School Administrators, the Minnesota Association of Secondary School Principals, the Minnesota Elementary School Principals' Association, the Minnesota School Boards Association, the Department of Education, the College of Education and Human Development at the University of Minnesota, the Minnesota Association of the Colleges for Teacher Education, licensed elementary and secondary school teachers employed in school districts with an alternative teacher professional pay system agreement and licensed elementary and secondary school teachers employed in school districts without an alternative teacher professional pay system agreement, where one or more of these teachers may be a master teacher, peer evaluator, in another teacher leader position, or national board certified teacher, a teacher or school administrator employed in a Minnesota charter school with an alternative teacher professional pay system agreement and a teacher or school administrator employed in a Minnesota charter school without an alternative teacher professional pay system agreement, a parent or guardian of a student currently enrolled in a Minnesota public school, the Association of Metropolitan School Districts, and the Minnesota Rural Education Association. The commissioner also must consult with members of the house of representatives and members of the senate.

The commissioner, by February 1, 2015, must submit to the education policy and finance committees of the legislature written recommendations on better aligning and financing the alternative teacher professional pay system and teacher evaluation program.

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

ARTICLE 4
SPECIAL PROGRAMS

Section 1. Minnesota Statutes 2012, section 121A.582, subdivision 1, is amended to read:

Subdivision 1. **Reasonable force standard.** (a) A teacher or school principal, in exercising the person's lawful authority, may use reasonable force when it is necessary under the circumstances to correct or restrain a student or prevent bodily harm or death to another.

(b) A school employee, school bus driver, or other agent of a district, in exercising the person's lawful authority, may use reasonable force when it is necessary under the circumstances to restrain a student or prevent bodily harm or death to another.

(c) Paragraphs (a) and (b) do not authorize conduct prohibited under ~~sections 121A.58 and 121A.67~~ section 125A.0942.

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

Sec. 2. Minnesota Statutes 2012, section 125A.023, subdivision 3, is amended to read:

Subd. 3. **Definitions.** For purposes of this section and section 125A.027, the following terms have the meanings given them:

(a) "Health plan" means:

- (1) a health plan under section 62Q.01, subdivision 3;
- (2) a county-based purchasing plan under section 256B.692;
- (3) a self-insured health plan established by a local government under section 471.617; or
- (4) self-insured health coverage provided by the state to its employees or retirees.

(b) For purposes of this section, "health plan company" means an entity that issues a health plan as defined in paragraph (a).

~~(c) "Individual interagency intervention plan" means a standardized written plan describing those programs or services and the accompanying funding sources available to eligible children with disabilities.~~

~~(d)~~ (c) "Interagency intervention service system" means a system that coordinates services and programs required in state and federal law to meet the needs of eligible children with disabilities ages birth through 21, including:

(1) services provided under the following programs or initiatives administered by state or local agencies:

- (i) the maternal and child health program under title V of the Social Security Act;
- (ii) the Minnesota children with special health needs program under sections 144.05 and 144.07;
- (iii) the Individuals with Disabilities Education Act, Part B, section 619, and Part C as amended;
- (iv) medical assistance under title 42, chapter 7, of the Social Security Act;
- (v) developmental disabilities services under chapter 256B;
- (vi) the Head Start Act under title 42, chapter 105, of the Social Security Act;
- (vii) vocational rehabilitation services provided under chapters 248 and 268A and the Rehabilitation Act of 1973;

(viii) Juvenile Court Act services provided under sections 260.011 to 260.91; 260B.001 to 260B.446; and 260C.001 to 260C.451;

(ix) Minnesota Comprehensive Children's Mental Health Act under section 245.487;

(x) the community health services grants under sections 145.88 to 145.9266;

(xi) the Local Public Health Act under chapter 145A; and

(xii) the Vulnerable Children and Adults Act, sections 256M.60 to 256M.80;

(2) service provision and funding that can be coordinated through:

(i) the children's mental health collaborative under section 245.493;

(ii) the family services collaborative under section 124D.23;

(iii) the community transition interagency committees under section 125A.22; and

(iv) the interagency early intervention committees under section 125A.259;

(3) financial and other funding programs to be coordinated including medical assistance under title 42, chapter 7, of the Social Security Act, the MinnesotaCare program under chapter 256L, Supplemental Social Security Income, Developmental Disabilities Assistance, and any other employment-related activities associated with the Social Security Administration; and services provided under a health plan in conformity with an individual family service plan or an individualized education program or an individual interagency intervention plan; and

(4) additional appropriate services that local agencies and counties provide on an individual need basis upon determining eligibility and receiving a request from the interagency early intervention committee and the child's parent.

~~(e)~~ (d) "Children with disabilities" has the meaning given in section 125A.02.

~~(f)~~ (e) A "standardized written plan" means those individual services or programs, with accompanying funding sources, available through the interagency intervention service system to an eligible child other than the services or programs described in the child's individualized education program or the child's individual family service plan.

Sec. 3. Minnesota Statutes 2012, section 125A.023, subdivision 4, is amended to read:

Subd. 4. **State Interagency Committee.** (a) ~~The commissioner of education, on behalf of the governor,~~ shall convene ~~a 19 member~~ an interagency committee to develop and implement a coordinated, multidisciplinary, interagency intervention service system for children ages three to 21 with disabilities. The commissioners of commerce, education, health, human rights, human services, employment and economic development, and corrections shall each appoint two committee members from their departments; ~~the Association of Minnesota Counties shall appoint two county representatives, one of whom must be an elected official, as committee members;~~ and the Association of Minnesota Counties, Minnesota School Boards Association, the Minnesota Administrators of Special Education, and the School Nurse Association of Minnesota shall each appoint one committee member. The committee shall select a chair from among its members.

(b) The committee shall:

(1) identify and assist in removing state and federal barriers to local coordination of services provided to children with disabilities;

(2) identify adequate, equitable, and flexible funding sources to streamline these services;

(3) develop guidelines for implementing policies that ensure a comprehensive and coordinated system of all state and local agency services, including multidisciplinary assessment practices for children with disabilities ages three to 21; including:

~~(4)~~ (i) develop, consistent with federal law, a standardized written plan for providing services to a child with disabilities;

~~(5)~~ (ii) identify how current systems for dispute resolution can be coordinated ~~and develop guidelines for that coordination;~~

~~(6)~~ (iii) develop an evaluation process to measure the success of state and local interagency efforts in improving the quality and coordination of services to children with disabilities ages three to 21; and

~~(7)~~ (iv) develop guidelines to assist the governing boards of the interagency early intervention committees in carrying out the duties assigned in section 125A.027, subdivision 1, paragraph (b); and

~~(8)~~ (4) carry out other duties necessary to develop and implement within communities a coordinated, multidisciplinary, interagency intervention service system for children with disabilities.

(c) The committee shall consult on an ongoing basis with the state Special Education Advisory Committee for Special Education Panel and the governor's Interagency Coordinating Council in carrying out its duties under this section, including assisting the governing boards of the interagency early intervention committees.

Sec. 4. Minnesota Statutes 2012, section 125A.027, subdivision 1, is amended to read:

Subdivision 1. **Additional duties.** (a) The governing boards of the interagency early intervention committees are responsible for developing and implementing interagency policies and procedures to coordinate services at the local level for children with disabilities ages three to 21 under guidelines established by the state interagency committee under section 125A.023, subdivision 4. Consistent with the requirements in this section and section 125A.023, the governing boards of the interagency early intervention committees ~~shall~~ may organize as a joint powers board under section 471.59 or enter into an interagency agreement that establishes a governance structure.

(b) The governing board of each interagency early intervention committee as defined in section 125A.30, paragraph (a), which may include a juvenile justice professional, shall:

(1) identify ~~and assist in removing~~ state and federal barriers to local coordination of services provided to children with disabilities;

~~(2) identify adequate, equitable, and flexible use of funding by local agencies for these services;~~

~~(3)~~ implement policies that ensure a comprehensive and coordinated system of all state and local agency services, including practices on multidisciplinary assessment practices, standardized written plans, dispute resolution, and system evaluation for children with disabilities ages three to 21;

~~(4) use a standardized written plan for providing services to a child with disabilities developed under section 125A.023;~~

~~(5) access the coordinated dispute resolution system and incorporate the guidelines for coordinating services at the local level, consistent with section 125A.023;~~

~~(6) use the evaluation process to measure the success of the local interagency effort in improving the quality and coordination of services to children with disabilities ages three to 21 consistent with section 125A.023;~~

~~(7) develop a transitional plan for children moving from the interagency early childhood intervention system under sections 125A.259 to 125A.48 into the interagency intervention service system under this section;~~

~~(8) (3) coordinate services and facilitate payment for services from public and private institutions, agencies, and health plan companies; and~~

~~(9) (4) share needed information consistent with state and federal data practices requirements.~~

Sec. 5. Minnesota Statutes 2012, section 125A.027, subdivision 4, is amended to read:

Subd. 4. **Responsibilities of school and county boards.** (a) It is the joint responsibility of school and county boards to coordinate, provide, and pay for appropriate services, and to facilitate payment for services from public and private sources. Appropriate service for children eligible under section 125A.02 and receiving service from two or more public agencies of which one is the public school must be determined in consultation with parents, physicians, and other education, medical health, and human services providers. The services provided must be in conformity with ~~an Individual Interagency Intervention Plan (IIP)~~ a standardized written plan for each eligible child ages 3 to 21.

(b) Appropriate services include those services listed on a child's ~~IIP~~ standardized written plan. These services are those that are required to be documented on a plan under federal and state law or rule.

(c) School and county boards shall coordinate interagency services. Service responsibilities for eligible children, ages 3 to 21, ~~shall may~~ be established in interagency agreements or joint powers board agreements. In addition, interagency agreements or joint powers board agreements ~~shall may~~ be developed to establish agency responsibility that assures that coordinated interagency services are coordinated, provided, and paid for, and that payment is facilitated from public and private sources. School boards must provide, pay for, and facilitate payment for special education services as required under sections 125A.03 and 125A.06. County boards must provide, pay for, and facilitate payment for those programs over which they have service and fiscal responsibility as referenced in section 125A.023, subdivision 3, paragraph ~~(d)~~ (c), clause (1).

Sec. 6. Minnesota Statutes 2012, section 125A.03, is amended to read:

125A.03 SPECIAL INSTRUCTION FOR CHILDREN WITH A DISABILITY.

(a) As defined in paragraph (b), every district must provide special instruction and services, either within the district or in another district, for all children with a disability, including providing required services under Code of Federal Regulations, title 34, section 300.121, paragraph (d), to those children suspended or expelled from school for more than ten school days in that school year, who are residents of the district and who are disabled as set forth in section 125A.02. For purposes of state and federal special education laws, the phrase "special instruction and services" in the state Education Code means a free and appropriate public education provided to an eligible child

with disabilities ~~and includes special education and related services defined in the Individuals with Disabilities Education Act, subpart A, section 300.24.~~ "Free appropriate public education" means special education and related services that:

(1) are provided at public expense, under public supervision and direction, and without charge;

(2) meet the standards of the state, including the requirements of the Individuals with Disabilities Education Act, Part B or C;

(3) include an appropriate preschool, elementary school, or secondary school education; and

(4) are provided to children ages three through 21 in conformity with an individualized education program that meets the requirements of the Individuals with Disabilities Education Act, subpart A, sections 300.320 to 300.324, and provided to infants and toddlers in conformity with an individualized family service plan that meets the requirements of the Individuals with Disabilities Education Act, subpart A, sections 303.300 to 303.346.

(b) Notwithstanding any age limits in laws to the contrary, special instruction and services must be provided from birth until July 1 after the child with a disability becomes 21 years old but shall not extend beyond secondary school or its equivalent, except as provided in section 124D.68, subdivision 2. Local health, education, and social service agencies must refer children under age five who are known to need or suspected of needing special instruction and services to the school district. Districts with less than the minimum number of eligible children with a disability as determined by the commissioner must cooperate with other districts to maintain a full range of programs for education and services for children with a disability. This section does not alter the compulsory attendance requirements of section 120A.22.

Sec. 7. Minnesota Statutes 2012, section 125A.08, is amended to read:

125A.08 INDIVIDUALIZED EDUCATION PROGRAMS; DATA REPORTING REQUIREMENTS.

Subdivision 1. Requirements for individualized education programs. (a) At the beginning of each school year, each school district shall have in effect, for each child with a disability, an individualized education program.

(b) As defined in this section, every district must ensure the following:

(1) all students with disabilities are provided the special instruction and services which are appropriate to their needs. Where the individualized education program team has determined appropriate goals and objectives based on the student's needs, including the extent to which the student can be included in the least restrictive environment, and where there are essentially equivalent and effective instruction, related services, or assistive technology devices available to meet the student's needs, cost to the district may be among the factors considered by the team in choosing how to provide the appropriate services, instruction, or devices that are to be made part of the student's individualized education program. The individualized education program team shall consider and may authorize services covered by medical assistance according to section 256B.0625, subdivision 26. The student's needs and the special education instruction and services to be provided must be agreed upon through the development of an individualized education program. The program must address the student's need to develop skills to live and work as independently as possible within the community. The individualized education program team must consider positive behavioral interventions, strategies, and supports that address behavior for children with attention deficit disorder or attention deficit hyperactivity disorder. During grade 9, the program must address the student's needs for transition from secondary services to postsecondary education and training, employment, community participation, recreation, and leisure and home living. In developing the program, districts must inform parents of the full range of transitional goals and related services that should be considered. The program must include a statement of the needed transition services, including a statement of the interagency responsibilities or linkages or both before secondary services are concluded;

(2) children with a disability under age five and their families are provided special instruction and services appropriate to the child's level of functioning and needs;

(3) children with a disability and their parents or guardians are guaranteed procedural safeguards and the right to participate in decisions involving identification, assessment including assistive technology assessment, and educational placement of children with a disability;

(4) eligibility and needs of children with a disability are determined by an initial ~~assessment or reassessment~~ evaluation or reevaluation, which may be completed using existing data under United States Code, title 20, section 33, et seq.;

(5) to the maximum extent appropriate, children with a disability, including those in public or private institutions or other care facilities, are educated with children who are not disabled, and that special classes, separate schooling, or other removal of children with a disability from the regular educational environment occurs only when and to the extent that the nature or severity of the disability is such that education in regular classes with the use of supplementary services cannot be achieved satisfactorily;

(6) in accordance with recognized professional standards, testing and evaluation materials, and procedures used for the purposes of classification and placement of children with a disability are selected and administered so as not to be racially or culturally discriminatory; and

(7) the rights of the child are protected when the parents or guardians are not known or not available, or the child is a ward of the state.

(c) For paraprofessionals employed to work in programs for students with disabilities, the school board in each district shall ensure that:

(1) before or immediately upon employment, each paraprofessional develops sufficient knowledge and skills in emergency procedures, building orientation, roles and responsibilities, confidentiality, vulnerability, and reportability, among other things, to begin meeting the needs of the students with whom the paraprofessional works;

(2) annual training opportunities are available to enable the paraprofessional to continue to further develop the knowledge and skills that are specific to the students with whom the paraprofessional works, including understanding disabilities, following lesson plans, and implementing follow-up instructional procedures and activities; and

(3) a districtwide process obligates each paraprofessional to work under the ongoing direction of a licensed teacher and, where appropriate and possible, the supervision of a school nurse.

Subd. 2. Online reporting of required data. (a) To ensure a strong focus on outcomes for children with disabilities informs federal and state compliance and accountability requirements and to increase opportunities for special educators and related-services providers to focus on teaching children with disabilities, the commissioner must integrate, customize, and sustain a streamlined, user-friendly statewide online system, with a single, integrated model online form, for effectively and efficiently collecting and reporting required special education-related data to individuals with a legitimate educational interest and who are authorized by law to access the data. Among other data-related requirements, the online system must successfully interface with existing state reporting systems such as MARSS and Child Count and with districts' local data systems.

(b) The commissioner must consult with qualified experts, including information technology specialists, licensed special education teachers and directors of special education, related-services providers, third-party vendors, a designee of the commissioner of human services, parents of children with disabilities, representatives of advocacy

groups representing children with disabilities, and representatives of school districts and special education cooperatives on integrating, field testing, customizing, and sustaining this simple, easily accessible, efficient, and effective online data system for uniform statewide reporting of required due process compliance data. Among other outcomes, the system must:

(1) reduce special education teachers' paperwork burden and thereby increase the teachers' opportunities to focus on teaching children;

(2) to the extent authorized by chapter 13 or other applicable state or federal law governing access to and dissemination of educational records, provide for efficiently and effectively transmitting the records of all transferring children with disabilities, including highly mobile and homeless children with disabilities, among others, to give an enrolling school, school district, facility, or other institution immediate access to information about the transferring child and to avoid fragmented service delivery;

(3) address language and other barriers and disparities that prevent parents from understanding and communicating information about the needs of their children with disabilities;

(4) facilitate school districts' ability to bill medical assistance, MinnesotaCare, and other third-party payers for the costs of providing individualized education program health-related services to an eligible child with disabilities;

(5) help continuously improve the interface among the online systems serving children with disabilities in order to maintain and reinforce the children's ability to learn; and

(6) have readily accessible expert technical assistance to maintain, sustain, and improve the online system.

(c) The commissioner must use the federal Office of Special Education Programs model forms for the (1) individualized education program, (2) notice of procedural safeguards, and (3) prior written notice that are consistent with Part B of IDEA to integrate and customize a state-sponsored universal special education online case management system, consistent with the requirements of state law and this subdivision for integrating, customizing, and sustaining a statewide online reporting system. The commissioner must use a request for proposal process to contract for the technology and software needed for integrating and customizing the online system in order for the system to be fully functional, consistent with the requirements of this subdivision. This online system must be made available to school districts without charge beginning in the 2015-2016 school year. All actions in which data in the system are entered, updated, accessed, or shared or disseminated outside of the system, must be recorded in a data audit trail. The audit trail must identify the user responsible for the action, and the date and time the action occurred. Data contained in the audit trail maintain the same classification as the underlying data that was affected by the action, and may be accessed by the responsible authority at any time for purposes of auditing the system's user activity and security safeguards. For the 2015-2016 through 2017-2018 school years, school districts may use this online system or may contract with an outside vendor for compliance reporting. Beginning in the 2018-2019 school year and later, school districts must use this online system for compliance reporting.

(d) Consistent with this subdivision, the commissioner must establish a public Internet Web interface to provide information to educators, parents, and the public about the form and content of required special education reports, to respond to queries from educators, parents, and the public about specific aspects of special education reports and reporting, and to use the information garnered from the interface to streamline and revise special education reporting on the online system under this subdivision. The public Internet Web interface must not provide access to the educational records of any individual child.

(e) The commissioner annually by February 1 must submit to the legislature a report on the status, recent changes, and sustainability of the online system under this subdivision.

Sec. 8. Minnesota Statutes 2013 Supplement, section 125A.0942, is amended to read:

125A.0942 STANDARDS FOR RESTRICTIVE PROCEDURES.

Subdivision 1. **Restrictive procedures plan.** (a) Schools that intend to use restrictive procedures shall maintain and make publicly accessible in an electronic format on a school or district Web site or make a paper copy available upon request describing a restrictive procedures plan for children with disabilities that at least:

(1) lists the restrictive procedures the school intends to use;

(2) describes how the school will implement a range of positive behavior strategies and provide links to mental health services;

(3) describes how the school will provide training on de-escalation techniques, consistent with section 122A.09, subdivision 4, paragraph (k);

(4) describes how the school will monitor and review the use of restrictive procedures, including:

(i) conducting post-use debriefings, consistent with subdivision 3, paragraph (a), clause (5); and

(ii) convening an oversight committee to undertake a quarterly review of the use of restrictive procedures based on patterns or problems indicated by similarities in the time of day, day of the week, duration of the use of a procedure, the individuals involved, or other factors associated with the use of restrictive procedures; the number of times a restrictive procedure is used schoolwide and for individual children; the number and types of injuries, if any, resulting from the use of restrictive procedures; whether restrictive procedures are used in nonemergency situations; the need for additional staff training; and proposed actions to minimize the use of restrictive procedures; and

~~(4)~~ (5) includes a written description and documentation of the training staff completed under subdivision 5.

(b) Schools annually must publicly identify oversight committee members who must at least include:

(1) a mental health professional, school psychologist, or school social worker;

(2) an expert in positive behavior strategies;

(3) a special education administrator; and

(4) a general education administrator.

Subd. 2. **Restrictive procedures.** (a) Restrictive procedures may be used only by a licensed special education teacher, school social worker, school psychologist, behavior analyst certified by the National Behavior Analyst Certification Board, a person with a master's degree in behavior analysis, other licensed education professional, paraprofessional under section 120B.363, or mental health professional under section 245.4871, subdivision 27, who has completed the training program under subdivision 5.

(b) A school shall make reasonable efforts to notify the parent on the same day a restrictive procedure is used on the child, or if the school is unable to provide same-day notice, notice is sent within two days by written or electronic means or as otherwise indicated by the child's parent under paragraph ~~(d)~~ (f).

(c) The district must hold a meeting of the individualized education program team, conduct or review a functional behavioral analysis, review data, consider developing additional or revised positive behavioral interventions and supports, consider actions to reduce the use of restrictive procedures, and modify the

individualized education program or behavior intervention plan as appropriate. The district must hold the meeting: within ten calendar days after district staff use restrictive procedures on two separate school days within 30 calendar days or a pattern of use emerges and the child's individualized education program or behavior intervention plan does not provide for using restrictive procedures in an emergency; or at the request of a parent or the district after restrictive procedures are used. The district must review use of restrictive procedures at a child's annual individualized education program meeting when the child's individualized education program provides for using restrictive procedures in an emergency.

(d) If the individualized education program team under paragraph (c) determines that existing interventions and supports are ineffective in reducing the use of restrictive procedures or the district uses restrictive procedures on a child on ten or more school days during the same school year, the team, as appropriate, either must consult with other professionals working with the child; consult with experts in behavior analysis, mental health, communication, or autism; consult with culturally competent professionals; review existing evaluations, resources, and successful strategies; or consider whether to reevaluate the child.

(e) At the individualized education program meeting under paragraph (c), the team must review any known medical or psychological limitations, including any medical information the parent provides voluntarily, that contraindicate the use of a restrictive procedure, consider whether to prohibit that restrictive procedure, and document any prohibition in the individualized education program or behavior intervention plan.

(f) An individualized education program team may plan for using restrictive procedures and may include these procedures in a child's individualized education program or behavior intervention plan; however, the restrictive procedures may be used only in response to behavior that constitutes an emergency, consistent with this section. The individualized education program or behavior intervention plan shall indicate how the parent wants to be notified when a restrictive procedure is used.

Subd. 3. Physical holding or seclusion. (a) Physical holding or seclusion may be used only in an emergency. A school that uses physical holding or seclusion shall meet the following requirements:

- (1) physical holding or seclusion is the least intrusive intervention that effectively responds to the emergency;
- (2) physical holding or seclusion is not used to discipline a noncompliant child;
- (3) physical holding or seclusion ends when the threat of harm ends and the staff determines the child can safely return to the classroom or activity;
- (4) staff directly observes the child while physical holding or seclusion is being used;
- (5) each time physical holding or seclusion is used, the staff person who implements or oversees the physical holding or seclusion documents, as soon as possible after the incident concludes, the following information:
 - (i) a description of the incident that led to the physical holding or seclusion;
 - (ii) why a less restrictive measure failed or was determined by staff to be inappropriate or impractical;
 - (iii) the time the physical holding or seclusion began and the time the child was released; and
 - (iv) a brief record of the child's behavioral and physical status;
- (6) the room used for seclusion must:

- (i) be at least six feet by five feet;
 - (ii) be well lit, well ventilated, adequately heated, and clean;
 - (iii) have a window that allows staff to directly observe a child in seclusion;
 - (iv) have tamperproof fixtures, electrical switches located immediately outside the door, and secure ceilings;
 - (v) have doors that open out and are unlocked, locked with keyless locks that have immediate release mechanisms, or locked with locks that have immediate release mechanisms connected with a fire and emergency system; and
 - (vi) not contain objects that a child may use to injure the child or others;
- (7) before using a room for seclusion, a school must:
- (i) receive written notice from local authorities that the room and the locking mechanisms comply with applicable building, fire, and safety codes; and
 - (ii) register the room with the commissioner, who may view that room; and
- (8) until August 1, 2015, a school district may use prone restraints with children age five or older if:
- (i) the district has provided to the department a list of staff who have had specific training on the use of prone restraints;
 - (ii) the district provides information on the type of training that was provided and by whom;
 - (iii) only staff who received specific training use prone restraints;
 - (iv) each incident of the use of prone restraints is reported to the department within five working days on a form provided by the department; and
 - (v) the district, before using prone restraints, must review any known medical or psychological limitations that contraindicate the use of prone restraints.

The department must collect data on districts' use of prone restraints and publish the data in a readily accessible format on the department's Web site on a quarterly basis.

(b) By ~~March 1, 2014~~ February 1, 2015, and annually thereafter, stakeholders must recommend to the commissioner specific and measurable implementation and outcome goals for reducing the use of restrictive procedures and the commissioner must submit to the legislature a report on districts' progress in reducing the use of restrictive procedures that recommends how to further reduce these procedures and eliminate the use of prone restraints. The statewide plan includes the following components: measurable goals; the resources, training, technical assistance, mental health services, and collaborative efforts needed to significantly reduce districts' use of prone restraints; and recommendations to clarify and improve the law governing districts' use of restrictive procedures. The commissioner must consult with interested stakeholders when preparing the report, including representatives of advocacy organizations, special education directors, teachers, paraprofessionals, intermediate school districts, school boards, day treatment providers, county social services, state human services department staff, mental health professionals, and autism experts. By June 30 each year, districts must report summary data on their use of restrictive procedures to the department, in a form and manner determined by the commissioner. The summary data must include information about the use of restrictive procedures, including use of reasonable force under section 121A.582.

Subd. 4. **Prohibitions.** The following actions or procedures are prohibited:

- (1) engaging in conduct prohibited under section 121A.58;
- (2) requiring a child to assume and maintain a specified physical position, activity, or posture that induces physical pain;
- (3) totally or partially restricting a child's senses as punishment;
- (4) presenting an intense sound, light, or other sensory stimuli using smell, taste, substance, or spray as punishment;
- (5) denying or restricting a child's access to equipment and devices such as walkers, wheelchairs, hearing aids, and communication boards that facilitate the child's functioning, except when temporarily removing the equipment or device is needed to prevent injury to the child or others or serious damage to the equipment or device, in which case the equipment or device shall be returned to the child as soon as possible;
- (6) interacting with a child in a manner that constitutes sexual abuse, neglect, or physical abuse under section 626.556;
- (7) withholding regularly scheduled meals or water;
- (8) denying access to bathroom facilities; and
- (9) physical holding that restricts or impairs a child's ability to breathe, restricts or impairs a child's ability to communicate distress, places pressure or weight on a child's head, throat, neck, chest, lungs, sternum, diaphragm, back, or abdomen, or results in straddling a child's torso.

Subd. 5. **Training for staff.** (a) To meet the requirements of subdivision 1, staff who use restrictive procedures, including paraprofessionals, shall complete training in the following skills and knowledge areas:

- (1) positive behavioral interventions;
- (2) communicative intent of behaviors;
- (3) relationship building;
- (4) alternatives to restrictive procedures, including techniques to identify events and environmental factors that may escalate behavior;
- (5) de-escalation methods;
- (6) standards for using restrictive procedures only in an emergency;
- (7) obtaining emergency medical assistance;
- (8) the physiological and psychological impact of physical holding and seclusion;
- (9) monitoring and responding to a child's physical signs of distress when physical holding is being used;
- (10) recognizing the symptoms of and interventions that may cause positional asphyxia when physical holding is used;

(11) district policies and procedures for timely reporting and documenting each incident involving use of a restricted procedure; and

(12) schoolwide programs on positive behavior strategies.

(b) The commissioner, after consulting with the commissioner of human services, must develop and maintain a list of training programs that satisfy the requirements of paragraph (a). The commissioner also must develop and maintain a list of experts to help individualized education program teams reduce the use of restrictive procedures. The district shall maintain records of staff who have been trained and the organization or professional that conducted the training. The district may collaborate with children's community mental health providers to coordinate trainings.

Subd. 6. **Behavior supports.** School districts are encouraged to establish effective schoolwide systems of positive behavior interventions and supports. ~~Nothing in this section or section 125A.0941 precludes the use of reasonable force under sections 121A.582; 609.06, subdivision 1; and 609.379.~~

Subd. 7. **Reasonable force.** Nothing in this section or section 125A.0941 precludes the use of reasonable force under sections 121A.582; 609.06, subdivision 1; and 609.379. For the 2014-2015 school year and later, districts must collect and submit to the commissioner summary data, consistent with subdivision 3, paragraph (b), on district use of reasonable force that is consistent with the definition of physical holding or seclusion for a child with a disability under this section.

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

Sec. 9. Minnesota Statutes 2012, section 125A.22, is amended to read:

125A.22 COMMUNITY TRANSITION INTERAGENCY COMMITTEE.

A district, group of districts, or special education cooperative, in cooperation with the county or counties in which the district or cooperative is located, ~~must~~ may establish a community transition interagency committee for youth with disabilities, beginning at grade 9 or age equivalent, and their families. Members of the committee ~~must consist of~~ may include representatives from special education, vocational and regular education, community education, postsecondary education and training institutions, mental health, adults with disabilities who have received transition services if such persons are available, parents of youth with disabilities, local business or industry, rehabilitation services, county social services, health agencies, and additional public or private adult service providers as appropriate. ~~The committee must elect a chair and must meet regularly.~~ The committee ~~must~~ may:

(1) identify current services, programs, and funding sources provided within the community for secondary and postsecondary aged youth with disabilities and their families that prepare them for further education; employment, including integrated competitive employment; and independent living;

(2) facilitate the development of multiagency teams to address present and future transition needs of individual students on their individualized education programs;

(3) develop a community plan to include mission, goals, and objectives, and an implementation plan to assure that transition needs of individuals with disabilities are met;

(4) recommend changes or improvements in the community system of transition services; and

(5) exchange agency information such as appropriate data, effectiveness studies, special projects, exemplary programs, and creative funding of programs; ~~and.~~

~~(6) following procedures determined by the commissioner, prepare a yearly summary assessing the progress of transition services in the community including follow up of individuals with disabilities who were provided transition services to determine postschool outcomes. The summary must be disseminated to all adult services agencies involved in the planning and to the commissioner by October 1 of each year.~~

Sec. 10. Minnesota Statutes 2013 Supplement, section 125A.30, is amended to read:

125A.30 INTERAGENCY EARLY INTERVENTION COMMITTEES.

(a) ~~A school district, group of school districts, or special education cooperative cooperatives, in cooperation with the health and human service agencies located in the county or counties in which the district districts or cooperative is cooperatives are located, must establish an Interagency Early Intervention Committee for children with disabilities under age five and their families under this section, and for children with disabilities ages three to 22 consistent with the requirements under sections 125A.023 and 125A.027. Committees must include representatives of local health, education, and county human service agencies, county boards, school boards, early childhood family education programs, Head Start, parents of young children with disabilities under age 12, child care resource and referral agencies, school readiness programs, current service providers, and agencies that serve families experiencing homelessness, and may also include representatives from other private or public agencies and school nurses. The committee must elect a chair from among its members and must meet at least quarterly.~~

(b) The committee must develop and implement interagency policies and procedures concerning the following ongoing duties:

(1) develop public awareness systems designed to inform potential recipient families, especially parents with premature infants, or infants with other physical risk factors associated with learning or development complications, of available programs and services;

(2) to reduce families' need for future services, and especially parents with premature infants, or infants with other physical risk factors associated with learning or development complications, implement interagency child find systems designed to actively seek out, identify, and refer infants and young children with, or at risk of, disabilities, including a child under the age of three who: (i) is the subject of a substantiated case of abuse or neglect or (ii) is identified as directly affected by illegal substance abuse, or withdrawal symptoms resulting from prenatal drug exposure;

~~(3) establish and evaluate the identification, referral, screening, evaluation, child and family directed assessment systems, procedural safeguard process, and community learning systems to recommend, where necessary, alterations and improvements;~~

~~(4) assure the development of individualized family service plans for all eligible infants and toddlers with disabilities from birth through age two, and their families, and individualized education programs and individual service plans when necessary to appropriately serve children with disabilities, age three and older, and their families and recommend assignment of financial responsibilities to the appropriate agencies;~~

~~(5) (3) implement a process for assuring that services involve cooperating agencies at all steps leading to individualized programs;~~

~~(6) facilitate the development of a transition plan in the individual family service plan by the time a child is two years and nine months old;~~

~~(7) (4) identify the current services and funding being provided within the community for children with disabilities under age five and their families; and~~

~~(8)~~ (5) develop a plan for the allocation and expenditure of federal early intervention funds under United States Code, title 20, section 1471 et seq. (Part C, Public Law 108-446) and United States Code, title 20, section 631, et seq. (Chapter I, Public Law 89-313); ~~and,~~

~~(9) develop a policy that is consistent with section 13.05, subdivision 9, and federal law to enable a member of an interagency early intervention committee to allow another member access to data classified as not public.~~

(c) The local committee shall also participate in needs assessments and program planning activities conducted by local social service, health and education agencies for young children with disabilities and their families.

Sec. 11. Minnesota Statutes 2012, section 127A.065, is amended to read:

127A.065 CROSS-SUBSIDY REPORT.

By ~~January 10~~ March 30, the commissioner of education shall submit an annual report to the legislative committees having jurisdiction over kindergarten through grade 12 education on the amount each district is cross-subsidizing special education costs with general education revenue.

Sec. 12. Minnesota Statutes 2012, section 260D.06, subdivision 2, is amended to read:

Subd. 2. **Agency report to court; court review.** The agency shall obtain judicial review by reporting to the court according to the following procedures:

(a) A written report shall be forwarded to the court within 165 days of the date of the voluntary placement agreement. The written report shall contain or have attached:

(1) a statement of facts that necessitate the child's foster care placement;

(2) the child's name, date of birth, race, gender, and current address;

(3) the names, race, date of birth, residence, and post office addresses of the child's parents or legal custodian;

(4) a statement regarding the child's eligibility for membership or enrollment in an Indian tribe and the agency's compliance with applicable provisions of sections 260.751 to 260.835;

(5) the names and addresses of the foster parents or chief administrator of the facility in which the child is placed, if the child is not in a family foster home or group home;

(6) a copy of the out-of-home placement plan required under section 260C.212, subdivision 1;

(7) a written summary of the proceedings of any administrative review required under section 260C.203; and

(8) any other information the agency, parent or legal custodian, the child or the foster parent, or other residential facility wants the court to consider.

(b) In the case of a child in placement due to emotional disturbance, the written report shall include as an attachment, the child's individual treatment plan developed by the child's treatment professional, as provided in section 245.4871, subdivision 21, or the child's ~~individual interagency intervention~~ standard written plan, as provided in section 125A.023, subdivision 3, paragraph ~~(e)~~ (e).

(c) In the case of a child in placement due to developmental disability or a related condition, the written report shall include as an attachment, the child's individual service plan, as provided in section 256B.092, subdivision 1b; the child's individual program plan, as provided in Minnesota Rules, part 9525.0004, subpart 11; the child's waiver care plan; or the child's ~~individual interagency intervention~~ standard written plan, as provided in section 125A.023, subdivision 3, paragraph (e) ~~(e)~~.

(d) The agency must inform the child, age 12 or older, the child's parent, and the foster parent or foster care facility of the reporting and court review requirements of this section and of their right to submit information to the court:

(1) if the child or the child's parent or the foster care provider wants to send information to the court, the agency shall advise those persons of the reporting date and the date by which the agency must receive the information they want forwarded to the court so the agency is timely able submit it with the agency's report required under this subdivision;

(2) the agency must also inform the child, age 12 or older, the child's parent, and the foster care facility that they have the right to be heard in person by the court and how to exercise that right;

(3) the agency must also inform the child, age 12 or older, the child's parent, and the foster care provider that an in-court hearing will be held if requested by the child, the parent, or the foster care provider; and

(4) if, at the time required for the report under this section, a child, age 12 or older, disagrees about the foster care facility or services provided under the out-of-home placement plan required under section 260C.212, subdivision 1, the agency shall include information regarding the child's disagreement, and to the extent possible, the basis for the child's disagreement in the report required under this section.

(e) After receiving the required report, the court has jurisdiction to make the following determinations and must do so within ten days of receiving the forwarded report, whether a hearing is requested:

(1) whether the voluntary foster care arrangement is in the child's best interests;

(2) whether the parent and agency are appropriately planning for the child; and

(3) in the case of a child age 12 or older, who disagrees with the foster care facility or services provided under the out-of-home placement plan, whether it is appropriate to appoint counsel and a guardian ad litem for the child using standards and procedures under section 260C.163.

(f) Unless requested by a parent, representative of the foster care facility, or the child, no in-court hearing is required in order for the court to make findings and issue an order as required in paragraph (e).

(g) If the court finds the voluntary foster care arrangement is in the child's best interests and that the agency and parent are appropriately planning for the child, the court shall issue an order containing explicit, individualized findings to support its determination. The individualized findings shall be based on the agency's written report and other materials submitted to the court. The court may make this determination notwithstanding the child's disagreement, if any, reported under paragraph (d).

(h) The court shall send a copy of the order to the county attorney, the agency, parent, child, age 12 or older, and the foster parent or foster care facility.

(i) The court shall also send the parent, the child, age 12 or older, the foster parent, or representative of the foster care facility notice of the permanency review hearing required under section 260D.07, paragraph (e).

(j) If the court finds continuing the voluntary foster care arrangement is not in the child's best interests or that the agency or the parent are not appropriately planning for the child, the court shall notify the agency, the parent, the foster parent or foster care facility, the child, age 12 or older, and the county attorney of the court's determinations and the basis for the court's determinations. In this case, the court shall set the matter for hearing and appoint a guardian ad litem for the child under section 260C.163, subdivision 5.

Sec. 13. Minnesota Statutes 2013 Supplement, section 626.556, subdivision 2, is amended to read:

Subd. 2. **Definitions.** As used in this section, the following terms have the meanings given them unless the specific content indicates otherwise:

(a) "Family assessment" means a comprehensive assessment of child safety, risk of subsequent child maltreatment, and family strengths and needs that is applied to a child maltreatment report that does not allege substantial child endangerment. Family assessment does not include a determination as to whether child maltreatment occurred but does determine the need for services to address the safety of family members and the risk of subsequent maltreatment.

(b) "Investigation" means fact gathering related to the current safety of a child and the risk of subsequent maltreatment that determines whether child maltreatment occurred and whether child protective services are needed. An investigation must be used when reports involve substantial child endangerment, and for reports of maltreatment in facilities required to be licensed under chapter 245A or 245B; under sections 144.50 to 144.58 and 241.021; in a school as defined in sections 120A.05, subdivisions 9, 11, and 13, and 124D.10; or in a nonlicensed personal care provider association as defined in sections 256B.04, subdivision 16, and 256B.0625, subdivision 19a.

(c) "Substantial child endangerment" means a person responsible for a child's care, and in the case of sexual abuse includes a person who has a significant relationship to the child as defined in section 609.341, or a person in a position of authority as defined in section 609.341, who by act or omission commits or attempts to commit an act against a child under their care that constitutes any of the following:

- (1) egregious harm as defined in section 260C.007, subdivision 14;
- (2) sexual abuse as defined in paragraph (d);
- (3) abandonment under section 260C.301, subdivision 2;
- (4) neglect as defined in paragraph (f), clause (2), that substantially endangers the child's physical or mental health, including a growth delay, which may be referred to as failure to thrive, that has been diagnosed by a physician and is due to parental neglect;
- (5) murder in the first, second, or third degree under section 609.185, 609.19, or 609.195;
- (6) manslaughter in the first or second degree under section 609.20 or 609.205;
- (7) assault in the first, second, or third degree under section 609.221, 609.222, or 609.223;
- (8) solicitation, inducement, and promotion of prostitution under section 609.322;
- (9) criminal sexual conduct under sections 609.342 to 609.3451;
- (10) solicitation of children to engage in sexual conduct under section 609.352;

(11) malicious punishment or neglect or endangerment of a child under section 609.377 or 609.378;

(12) use of a minor in sexual performance under section 617.246; or

(13) parental behavior, status, or condition which mandates that the county attorney file a termination of parental rights petition under section 260C.503, subdivision 2.

(d) "Sexual abuse" means the subjection of a child by a person responsible for the child's care, by a person who has a significant relationship to the child, as defined in section 609.341, or by a person in a position of authority, as defined in section 609.341, subdivision 10, to any act which constitutes a violation of section 609.342 (criminal sexual conduct in the first degree), 609.343 (criminal sexual conduct in the second degree), 609.344 (criminal sexual conduct in the third degree), 609.345 (criminal sexual conduct in the fourth degree), or 609.3451 (criminal sexual conduct in the fifth degree). Sexual abuse also includes any act which involves a minor which constitutes a violation of prostitution offenses under sections 609.321 to 609.324 or 617.246. Sexual abuse includes threatened sexual abuse which includes the status of a parent or household member who has committed a violation which requires registration as an offender under section 243.166, subdivision 1b, paragraph (a) or (b), or required registration under section 243.166, subdivision 1b, paragraph (a) or (b).

(e) "Person responsible for the child's care" means (1) an individual functioning within the family unit and having responsibilities for the care of the child such as a parent, guardian, or other person having similar care responsibilities, or (2) an individual functioning outside the family unit and having responsibilities for the care of the child such as a teacher, school administrator, other school employees or agents, or other lawful custodian of a child having either full-time or short-term care responsibilities including, but not limited to, day care, babysitting whether paid or unpaid, counseling, teaching, and coaching.

(f) "Neglect" means the commission or omission of any of the acts specified under clauses (1) to (9), other than by accidental means:

(1) failure by a person responsible for a child's care to supply a child with necessary food, clothing, shelter, health, medical, or other care required for the child's physical or mental health when reasonably able to do so;

(2) failure to protect a child from conditions or actions that seriously endanger the child's physical or mental health when reasonably able to do so, including a growth delay, which may be referred to as a failure to thrive, that has been diagnosed by a physician and is due to parental neglect;

(3) failure to provide for necessary supervision or child care arrangements appropriate for a child after considering factors as the child's age, mental ability, physical condition, length of absence, or environment, when the child is unable to care for the child's own basic needs or safety, or the basic needs or safety of another child in their care;

(4) failure to ensure that the child is educated as defined in sections 120A.22 and 260C.163, subdivision 11, which does not include a parent's refusal to provide the parent's child with sympathomimetic medications, consistent with section 125A.091, subdivision 5;

(5) nothing in this section shall be construed to mean that a child is neglected solely because the child's parent, guardian, or other person responsible for the child's care in good faith selects and depends upon spiritual means or prayer for treatment or care of disease or remedial care of the child in lieu of medical care; except that a parent, guardian, or caretaker, or a person mandated to report pursuant to subdivision 3, has a duty to report if a lack of medical care may cause serious danger to the child's health. This section does not impose upon persons, not otherwise legally responsible for providing a child with necessary food, clothing, shelter, education, or medical care, a duty to provide that care;

(6) prenatal exposure to a controlled substance, as defined in section 253B.02, subdivision 2, used by the mother for a nonmedical purpose, as evidenced by withdrawal symptoms in the child at birth, results of a toxicology test performed on the mother at delivery or the child at birth, medical effects or developmental delays during the child's first year of life that medically indicate prenatal exposure to a controlled substance, or the presence of a fetal alcohol spectrum disorder;

(7) "medical neglect" as defined in section 260C.007, subdivision 6, clause (5);

(8) chronic and severe use of alcohol or a controlled substance by a parent or person responsible for the care of the child that adversely affects the child's basic needs and safety; or

(9) emotional harm from a pattern of behavior which contributes to impaired emotional functioning of the child which may be demonstrated by a substantial and observable effect in the child's behavior, emotional response, or cognition that is not within the normal range for the child's age and stage of development, with due regard to the child's culture.

(g) "Physical abuse" means any physical injury, mental injury, or threatened injury, inflicted by a person responsible for the child's care on a child other than by accidental means, or any physical or mental injury that cannot reasonably be explained by the child's history of injuries, or any aversive or deprivation procedures, or regulated interventions, that have not been authorized under section ~~121A.67~~ 125A.0942 or 245.825.

Abuse does not include reasonable and moderate physical discipline of a child administered by a parent or legal guardian which does not result in an injury. Abuse does not include the use of reasonable force by a teacher, principal, or school employee as allowed by section 121A.582. Actions which are not reasonable and moderate include, but are not limited to, any of the following that are done in anger or without regard to the safety of the child:

(1) throwing, kicking, burning, biting, or cutting a child;

(2) striking a child with a closed fist;

(3) shaking a child under age three;

(4) striking or other actions which result in any nonaccidental injury to a child under 18 months of age;

(5) unreasonable interference with a child's breathing;

(6) threatening a child with a weapon, as defined in section 609.02, subdivision 6;

(7) striking a child under age one on the face or head;

(8) purposely giving a child poison, alcohol, or dangerous, harmful, or controlled substances which were not prescribed for the child by a practitioner, in order to control or punish the child; or other substances that substantially affect the child's behavior, motor coordination, or judgment or that results in sickness or internal injury, or subjects the child to medical procedures that would be unnecessary if the child were not exposed to the substances;

(9) unreasonable physical confinement or restraint not permitted under section 609.379, including but not limited to tying, caging, or chaining; or

(10) in a school facility or school zone, an act by a person responsible for the child's care that is a violation under section 121A.58.

(h) "Report" means any report received by the local welfare agency, police department, county sheriff, or agency responsible for assessing or investigating maltreatment pursuant to this section.

(i) "Facility" means:

(1) a licensed or unlicensed day care facility, residential facility, agency, hospital, sanitarium, or other facility or institution required to be licensed under sections 144.50 to 144.58, 241.021, or 245A.01 to 245A.16, or chapter 245D;

(2) a school as defined in sections 120A.05, subdivisions 9, 11, and 13; and 124D.10; or

(3) a nonlicensed personal care provider organization as defined in sections 256B.04, subdivision 16, and 256B.0625, subdivision 19a.

(j) "Operator" means an operator or agency as defined in section 245A.02.

(k) "Commissioner" means the commissioner of human services.

(l) "Practice of social services," for the purposes of subdivision 3, includes but is not limited to employee assistance counseling and the provision of guardian ad litem and parenting time expeditor services.

(m) "Mental injury" means an injury to the psychological capacity or emotional stability of a child as evidenced by an observable or substantial impairment in the child's ability to function within a normal range of performance and behavior with due regard to the child's culture.

(n) "Threatened injury" means a statement, overt act, condition, or status that represents a substantial risk of physical or sexual abuse or mental injury. Threatened injury includes, but is not limited to, exposing a child to a person responsible for the child's care, as defined in paragraph (e), clause (1), who has:

(1) subjected a child to, or failed to protect a child from, an overt act or condition that constitutes egregious harm, as defined in section 260C.007, subdivision 14, or a similar law of another jurisdiction;

(2) been found to be palpably unfit under section 260C.301, subdivision 1, paragraph (b), clause (4), or a similar law of another jurisdiction;

(3) committed an act that has resulted in an involuntary termination of parental rights under section 260C.301, or a similar law of another jurisdiction; or

(4) committed an act that has resulted in the involuntary transfer of permanent legal and physical custody of a child to a relative under Minnesota Statutes 2010, section 260C.201, subdivision 11, paragraph (d), clause (1), section 260C.515, subdivision 4, or a similar law of another jurisdiction.

A child is the subject of a report of threatened injury when the responsible social services agency receives birth match data under paragraph (o) from the Department of Human Services.

(o) Upon receiving data under section 144.225, subdivision 2b, contained in a birth record or recognition of parentage identifying a child who is subject to threatened injury under paragraph (n), the Department of Human Services shall send the data to the responsible social services agency. The data is known as "birth match" data. Unless the responsible social services agency has already begun an investigation or assessment of the report due to the birth of the child or execution of the recognition of parentage and the parent's previous history with child protection, the agency shall accept the birth match data as a report under this section. The agency may use either a family assessment or investigation to determine whether the child is safe. All of the provisions of this section apply. If the child is determined to be safe, the agency shall consult with the county attorney to determine the appropriateness of filing a petition alleging the child is in need of protection or services under section 260C.007, subdivision 6, clause (16), in order to deliver needed services. If the child is determined not to be safe, the agency and the county attorney shall take appropriate action as required under section 260C.503, subdivision 2.

(p) Persons who conduct assessments or investigations under this section shall take into account accepted child-rearing practices of the culture in which a child participates and accepted teacher discipline practices, which are not injurious to the child's health, welfare, and safety.

(q) "Accidental" means a sudden, not reasonably foreseeable, and unexpected occurrence or event which:

(1) is not likely to occur and could not have been prevented by exercise of due care; and

(2) if occurring while a child is receiving services from a facility, happens when the facility and the employee or person providing services in the facility are in compliance with the laws and rules relevant to the occurrence or event.

(r) "Nonmaltreatment mistake" means:

(1) at the time of the incident, the individual was performing duties identified in the center's child care program plan required under Minnesota Rules, part 9503.0045;

(2) the individual has not been determined responsible for a similar incident that resulted in a finding of maltreatment for at least seven years;

(3) the individual has not been determined to have committed a similar nonmaltreatment mistake under this paragraph for at least four years;

(4) any injury to a child resulting from the incident, if treated, is treated only with remedies that are available over the counter, whether ordered by a medical professional or not; and

(5) except for the period when the incident occurred, the facility and the individual providing services were both in compliance with all licensing requirements relevant to the incident.

This definition only applies to child care centers licensed under Minnesota Rules, chapter 9503. If clauses (1) to (5) apply, rather than making a determination of substantiated maltreatment by the individual, the commissioner of human services shall determine that a nonmaltreatment mistake was made by the individual.

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

Sec. 14. Laws 2013, chapter 116, article 5, section 31, subdivision 8, is amended to read:

Subd. 8. **Special education paperwork cost savings.** For the contract to effect special education paperwork cost savings under Minnesota Statutes, section 125A.08, subdivision 2, paragraph (c):

\$1,763,000	2014
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For a transfer to MNIT. This appropriation is available in fiscal year 2015 ~~if not expended~~.

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

Sec. 15. **RULEMAKING AUTHORITY; SPECIAL EDUCATION TASK FORCE RECOMMENDATIONS.**

The commissioner of education must use the expedited rulemaking process under Minnesota Statutes, section 14.389, including subdivision 5, to make the specific rule changes recommended by the Special Education Case Load and Rule Alignment Task Force in its 2014 report entitled "Recommendations for Special Education Case Load and Rule Alignment" submitted to the legislature on February 15, 2014.

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

Sec. 16. **REPEALER.**

Minnesota Statutes 2012, section 125A.027, subdivision 3, is repealed.

ARTICLE 5
NUTRITION

Section 1. Minnesota Statutes 2012, section 124D.111, subdivision 3, is amended to read:

Subd. 3. **School food service fund.** (a) The expenses described in this subdivision must be recorded as provided in this subdivision.

(b) In each district, the expenses for a school food service program for pupils must be attributed to a school food service fund. Under a food service program, the school food service may prepare or serve milk, meals, or snacks in connection with school or community service activities.

(c) Revenues and expenditures for food service activities must be recorded in the food service fund. The costs of processing applications, accounting for meals, preparing and serving food, providing kitchen custodial services, and other expenses involving the preparing of meals or the kitchen section of the lunchroom may be charged to the food service fund or to the general fund of the district. The costs of lunchroom supervision, lunchroom custodial services, lunchroom utilities, and other administrative costs of the food service program must be charged to the general fund.

That portion of superintendent and fiscal manager costs that can be documented as attributable to the food service program may be charged to the food service fund provided that the school district does not employ or contract with a food service director or other individual who manages the food service program, or food service management company. If the cost of the superintendent or fiscal manager is charged to the food service fund, the charge must be at a wage rate not to exceed the statewide average for food service directors as determined by the department.

(d) Capital expenditures for the purchase of food service equipment must be made from the general fund and not the food service fund, unless the ~~unreserved~~ restricted balance in the food service fund at the end of the last fiscal year is greater than the cost of the equipment to be purchased.

(e) If the condition set out in paragraph (d) applies, the equipment may be purchased from the food service fund.

(f) If a deficit in the food service fund exists at the end of a fiscal year, and the deficit is not eliminated by revenues from food service operations in the next fiscal year, then the deficit must be eliminated by a permanent fund transfer from the general fund at the end of that second fiscal year. However, if a district contracts with a food service management company during the period in which the deficit has accrued, the deficit must be eliminated by a payment from the food service management company.

(g) Notwithstanding paragraph (f), a district may incur a deficit in the food service fund for up to three years without making the permanent transfer if the district submits to the commissioner by January 1 of the second fiscal year a plan for eliminating that deficit at the end of the third fiscal year.

(h) If a surplus in the food service fund exists at the end of a fiscal year for three successive years, a district may recode for that fiscal year the costs of lunchroom supervision, lunchroom custodial services, lunchroom utilities, and other administrative costs of the food service program charged to the general fund according to paragraph (c) and charge those costs to the food service fund in a total amount not to exceed the amount of surplus in the food service fund.

Sec. 2. **[124D.1191] DONATIONS TO FOOD SHELF PROGRAMS.**

Schools and community organizations participating in any federal child nutrition meal program may donate food to food shelf programs, provided that the food shelf:

(1) is a nonprofit corporation or is affiliated with a nonprofit corporation, as defined in section 501(c)(3) of the Internal Revenue Code of 1986;

(2) distributes food without charge to needy individuals;

(3) does not limit food distributions to individuals of a particular religious affiliation, race, or other criteria unrelated to need; and

(4) has a stable address and directly serves individuals.

ARTICLE 6

EARLY CHILDHOOD EDUCATION, SELF-SUFFICIENCY, AND LIFELONG LEARNING

Section 1. Minnesota Statutes 2012, section 123A.06, subdivision 2, is amended to read:

Subd. 2. **People to be served.** A state-approved alternative program shall provide programs for secondary pupils ~~and adults~~. A center may also provide programs and services for elementary and secondary pupils who are not attending the state-approved alternative program to assist them in being successful in school. A center shall use research-based best practices for serving English learners and their parents. An individualized education program team may identify a state-approved alternative program as an appropriate placement to the extent a state-approved alternative program can provide the student with the appropriate special education services described in the student's plan. Pupils eligible to be served are those who qualify under the graduation incentives program in section 124D.68, subdivision 2, those enrolled under section 124D.02, subdivision 2, or those pupils who are eligible to receive special education services under sections 125A.03 to 125A.24, and 125A.65.

Sec. 2. Minnesota Statutes 2013 Supplement, section 124D.165, subdivision 2, is amended to read:

Subd. 2. **Family eligibility.** (a) For a family to receive an early ~~childhood education~~ learning scholarship, parents or guardians must meet the following eligibility requirements:

(1) have a child three or four years of age on September 1 of the current school year, who has not yet started kindergarten; and

(2) have income equal to or less than 185 percent of federal poverty level income in the current calendar year, or be able to document their child's current participation in the free and reduced-price lunch program or child and adult care food program, National School Lunch Act, United States Code, title 42, sections 1751 and 1766; the Food Distribution Program on Indian Reservations, Food and Nutrition Act, United States Code, title 7, sections 2011-2036; Head Start under the federal Improving Head Start for School Readiness Act of 2007; Minnesota family investment program under chapter 256J; child care assistance programs under chapter 119B; the supplemental nutrition assistance program; or placement in foster care under section 260C.212.

(b) Notwithstanding the other provisions of this section, a parent under age 21 who is pursuing a high school or general education equivalency diploma is eligible for an early learning scholarship if the parent has a child age zero to five years old and meets the income eligibility guidelines in this subdivision.

(c) Any siblings between the ages zero to five years old of a child who has been awarded a scholarship under this section must be awarded a scholarship upon request, provided the sibling attends the same program.

(d) A child who has received a scholarship under this section must continue to receive a scholarship each year until that child is eligible for kindergarten under section 120A.20.

(e) Early learning scholarships may not be counted as earned income for the purposes of medical assistance under chapter 256B, MinnesotaCare under chapter 256L, Minnesota family investment program under chapter 256J, child care assistance programs under chapter 119B, or Head Start under the federal Improving Head Start for School Readiness Act of 2007.

Sec. 3. Minnesota Statutes 2013 Supplement, section 124D.165, subdivision 4, is amended to read:

Subd. 4. **Early childhood program eligibility.** (a) In order to be eligible to accept an early ~~childhood education~~ learning scholarship, a program must:

- (1) participate in the quality rating and improvement system under section 124D.142; and
- (2) beginning July 1, 2016, have a three- or four-star rating in the quality rating and improvement system.

(b) Any program accepting scholarships must use the revenue to supplement and not supplant federal funding.

ARTICLE 7 LIBRARIES

Section 1. Minnesota Statutes 2012, section 134.355, subdivision 8, is amended to read:

Subd. 8. **Eligibility.** A regional public library system may apply for regional library telecommunications aid. The aid must be used for data and video access maintenance, equipment, or installation of telecommunication lines. To be eligible, a regional public library system must be officially designated by the commissioner of education as a regional public library system as defined in section 134.34, subdivision 3, and each of its participating cities and counties must meet local support levels defined in section 134.34, subdivision 1. A public library building that receives aid under this section must be open a minimum of 20 hours per week. Exceptions to the minimum open hours requirement may be granted by the Department of Education on request of the regional public library system for the following circumstances: short-term closing for emergency maintenance and repairs following a natural disaster; in response to exceptional economic circumstances; building repair or maintenance that requires public services areas to be closed; or to adjust hours of public service to respond to documented seasonal use patterns.

Sec. 2. **CONSULTATION; LIBRARIES AND SERVICE DELIVERY.**

The commissioner of education must consult with people knowledgeable about state libraries and service delivery, including representatives of the Department of Education, regional public library systems, multicounty multitype library systems, public libraries located in the metropolitan area and greater Minnesota other than regional public library systems, Minitex, public school library media specialists, the Office of Higher Education, the Association of Minnesota Counties, and the League of Minnesota Cities on increasing service delivery and collaboration between library governance systems, options for changing current library procedures and library governance systems to increase collaboration between library systems, and ensuring equitable and cost-effective access to library services statewide. In addition to addressing physical library services, the commissioner also must consider how to increase access to emerging electronic services. The commissioner must report by February 1, 2015, to the education policy and finance committees of the legislature on how to structure library systems to ensure that all Minnesota residents have equitable and cost-effective access to state-supported library services.

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

ARTICLE 8
UNSESSION CHANGES

Section 1. Minnesota Statutes 2012, section 121A.36, is amended to read:

121A.36 MOTORCYCLE SAFETY EDUCATION PROGRAM.

Subdivision 1. **Established; administration; rules.** A motorcycle safety education program is established. The program shall be administered by the commissioners of public safety ~~and education~~. The program shall include but is not limited to training and coordination of motorcycle safety instructors, motorcycle safety promotion and public information, and reimbursement for the cost of approved courses offered by schools and organizations.

Subd. 2. **Reimbursements.** The commissioner of ~~education~~ public safety, to the extent that funds are available, may reimburse schools and other approved organizations offering approved motorcycle safety education courses for up to 50 percent of the actual cost of the courses. If sufficient funds are not available, reimbursements shall be prorated. The commissioner may conduct audits and otherwise examine the records and accounts of schools and approved organizations offering the courses to insure the accuracy of the costs.

Subd. 3. **Appropriation.** (a) All funds in the motorcycle safety fund created by section 171.06, subdivision 2a, are hereby annually appropriated to the commissioner of public safety to carry out the purposes of subdivisions 1 and 2. ~~The commissioner of public safety may make grants from the fund to the commissioner of education at such times and in such amounts as the commissioner deems necessary to carry out the purposes of subdivisions 1 and 2.~~

(b) Of the money appropriated under paragraph (a):

(1) not more than five percent shall be expended to defray the administrative costs of carrying out the purposes of subdivisions 1 and 2; and

(2) not more than 65 percent shall be expended for the combined purpose of training and coordinating the activities of motorcycle safety instructors and making reimbursements to schools and other approved organizations.

Sec. 2. Minnesota Statutes 2012, section 124D.141, subdivision 3, is amended to read:

Subd. 3. **Administration.** ~~An amount up to \$12,500 from federal child care and development fund administrative funds and up to \$12,500 from prekindergarten exploratory project funds appropriated under Laws 2007, chapter 147, article 19, section 3, may be used to reimburse the parents on the council and for technical assistance and administrative support of the State Advisory Council on Early Childhood Education and Care. This funding stream is for fiscal year 2009. The council may pursue additional funds from state, federal, and private sources. If additional operational funds are received, the council must reduce the amount of prekindergarten exploratory project funds used in an equal amount.~~

Sec. 3. **REVISOR'S INSTRUCTION.**

The revisor of statutes shall renumber Minnesota Statutes, section 121A.36, as section 171.335. The revisor of statutes shall also make cross-reference changes in Minnesota Statutes and Minnesota Rules consistent with the renumbering.

Sec. 4. **REPEALER.**

Minnesota Statutes 2012, sections 119A.04, subdivision 3; 119A.08; 120A.30; 120B.19; 120B.24; 121A.17, subdivision 9; 122A.52; 122A.53; 122A.61, subdivision 2; 124D.24; 124D.25; 124D.26; 124D.27; 124D.28; 124D.29; 124D.30; and 124D.31, are repealed.

ARTICLE 9
CONFORMING CHANGES

Section 1. Minnesota Statutes 2012, section 120A.22, subdivision 2, is amended to read:

Subd. 2. **Applicability.** This section and sections 120A.24; 120A.26; ~~120A.30~~; 120A.32; and 120A.34 apply only to a child required to receive instruction according to subdivision 5 and to instruction that is intended to fulfill that requirement.

Sec. 2. Minnesota Statutes 2012, section 120A.32, is amended to read:

120A.32 OFFICERS, TEACHERS; NEGLECT OF DUTY; PENALTY.

Any school officer, truant officer, public or nonpublic school teacher, principal, district superintendent, or person providing instruction other than a parent refusing, willfully failing, or neglecting to perform any duty imposed by sections 120A.22 to ~~120A.30~~, 120A.26, 120A.35, 120A.41, and 123B.03 is guilty of a misdemeanor. All persons found guilty shall be punished for each offense by a fine of not more than \$10 or by imprisonment for not more than ten days. All fines, when collected, shall be paid into the county treasury for the benefit of the school district in which the offense is committed.

Sec. 3. Minnesota Statutes 2012, section 122A.09, subdivision 7, is amended to read:

Subd. 7. **Commissioner's assistance; board money.** The commissioner shall provide all necessary materials and assistance for the transaction of the business of the Board of Teaching and all moneys received by the Board of Teaching shall be paid into the state treasury as provided by law. The expenses of administering sections 122A.01, 122A.05 to 122A.09, 122A.15, 122A.16, 122A.17, 122A.18, 122A.20, 122A.21, 122A.22, 122A.23, 122A.26, 122A.30, 122A.40, 122A.41, 122A.42, 122A.45, 122A.49, ~~122A.52, 122A.53~~, 122A.54, 122A.55, 122A.56, 122A.57, and 122A.58 which are incurred by the Board of Teaching shall be paid for from appropriations made to the Board of Teaching.

Sec. 4. Minnesota Statutes 2012, section 127A.41, subdivision 7, is amended to read:

Subd. 7. **Schedule adjustments.** (a) It is the intention of the legislature to encourage efficient and effective use of staff and facilities by districts. Districts are encouraged to consider both cost and energy saving measures.

(b) Any district operating a program pursuant to sections 124D.12 to 124D.127, or 124D.128, ~~or 124D.25 to 124D.29~~, or operating a commissioner-designated area learning center program under section 123A.09, or that otherwise receives the approval of the commissioner to operate its instructional program to avoid an aid reduction in any year, may adjust the annual school schedule for that program throughout the calendar year."

Delete the title and insert:

"A bill for an act relating to education; providing for policy and technical modifications in early childhood and family, kindergarten through grade 12, and adult education including general education, education excellence, English learners and language proficiency, special programs, nutrition, libraries, unsession and conforming changes; amending Minnesota Statutes 2012, sections 13.32, subdivision 6; 119A.535; 120A.22, subdivision 2; 120A.32; 120B.022; 120B.12; 120B.35, subdivision 4; 121A.36; 121A.582, subdivision 1; 122A.06, subdivision 4; 122A.09, subdivision 7; 122A.14, subdivisions 2, 3; 122A.18, subdivisions 2a, 4; 122A.19; 122A.40, subdivisions 5, 13; 122A.41, subdivisions 2, 6; 122A.413, subdivision 2; 122A.414, subdivision 2; 122A.48, subdivision 3; 122A.60, subdivisions 1a, 2, 3; 122A.68, subdivision 3; 122A.74; 123A.06, subdivision 2; 123B.04, subdivision 4; 123B.147, subdivision 3; 123B.88, subdivision 1; 124D.03, subdivisions 3, 4, 5, 6, by adding a subdivision; 124D.08, by

adding a subdivision; 124D.09, subdivision 9; 124D.111, subdivision 3; 124D.13, subdivision 2; 124D.141, subdivision 3; 124D.15, subdivision 3; 124D.49, subdivision 3; 124D.52, as amended; 124D.522; 124D.59, subdivision 2, by adding a subdivision; 124D.895; 124D.8955; 124D.896; 125A.023, subdivisions 3, 4; 125A.027, subdivisions 1, 4; 125A.03; 125A.08; 125A.22; 127A.065; 127A.41, subdivision 7; 127A.70, by adding a subdivision; 128C.02, subdivision 5; 134.355, subdivision 8; 260D.06, subdivision 2; Minnesota Statutes 2013 Supplement, sections 120A.22, subdivision 5; 120B.021, subdivision 4; 120B.11; 120B.115; 120B.125; 120B.30, subdivision 1; 120B.35, subdivision 3; 120B.36, subdivision 1; 122A.09, subdivision 4; 122A.18, subdivision 2; 122A.23, subdivision 2; 122A.40, subdivision 8; 122A.41, subdivision 5; 124D.10, subdivisions 1, 3, 4, 6, 6a, 8, 9, 17a, 17b; 124D.11, subdivision 4; 124D.165, subdivisions 2, 4; 124D.4531, subdivisions 1, 3, 3a; 124D.52, subdivision 8; 124D.861, subdivision 3; 125A.0942; 125A.30; 127A.70, subdivision 2; 626.556, subdivision 2; Laws 2011, First Special Session chapter 11, article 2, section 12; Laws 2012, chapter 263, section 1; Laws 2013, chapter 116, article 5, section 31, subdivision 8; proposing coding for new law in Minnesota Statutes, chapters 123A; 124D; repealing Minnesota Statutes 2012, sections 119A.04, subdivision 3; 119A.08; 120A.30; 120B.19; 120B.24; 121A.17, subdivision 9; 122A.19, subdivision 3; 122A.52; 122A.53; 122A.61, subdivision 2; 123B.15; 123B.16; 123B.17; 123B.18; 123B.26; 123B.27; 124D.24; 124D.25; 124D.26; 124D.27; 124D.28; 124D.29; 124D.30; 124D.31; 125A.027, subdivision 3."

With the recommendation that when so amended the bill be re-referred to the Committee on Education Finance.

The report was adopted.

Mahoney from the Committee on Jobs and Economic Development Finance and Policy to which was referred:

H. F. No. 2536, A bill for an act relating to women's economic security; promoting the economic self-sufficiency of women; reducing gender segregation in the workforce; reducing the gender pay gap through the participation of women in high-wage, high-demand, nontraditional occupations; establishing a Women and Nontraditional Jobs Grant Program; modifying eligibility for unemployment benefits when applicant is a victim of sexual assault or stalking; creating a women entrepreneurs business development competitive grant program; modifying medical assistance asset availability requirements; providing for pregnancy and parenting leave; requiring pregnancy accommodations; providing for earned sick and safe time; requiring certificates of pay equity compliance as a condition for certain state contracts; classifying data; protecting wage disclosure; prohibiting retaliation; prohibiting discrimination in employment based on status as a family caregiver; clarifying unfair employment practices related to nursing mothers; forecasting the basic sliding fee child care assistance program; modifying child care assistance provider reimbursement rates; early learning; expanding the availability of early learning scholarships; requiring a report; authorizing rulemaking; appropriating money; amending Minnesota Statutes 2012, sections 13.552, by adding a subdivision; 116L.98; 119B.02, subdivisions 1, 2; 119B.03, subdivision 9; 119B.035, subdivisions 1, 4; 119B.05, subdivision 5; 119B.08, subdivision 3; 119B.09, subdivision 4a; 119B.231, subdivision 5; 177.24, subdivision 1; 181.939; 181.940, subdivision 2; 181.941; 181.943; 256.017, subdivision 9; 256B.059, subdivision 5; 268.095, subdivisions 1, 6, by adding a subdivision; 363A.03, by adding a subdivision; 363A.08, subdivisions 1, 2, 3, 4, by adding a subdivision; 504B.001, by adding subdivisions; 504B.171, subdivision 1; 504B.206, subdivisions 1, 3, by adding a subdivision; 504B.285, subdivision 1; Minnesota Statutes 2013 Supplement, sections 116L.665, subdivision 2; 119B.011, subdivision 19b; 119B.05, subdivision 1; 119B.13, subdivision 1; 124D.165, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 16A; 16C; 116L; 181; 363A; repealing Minnesota Statutes 2012, sections 119B.011, subdivision 20a; 119B.03, subdivisions 1, 2, 5, 6, 6a, 6b, 8; 119B.09, subdivision 3; 504B.206, subdivisions 4, 6; Minnesota Statutes 2013 Supplement, sections 119B.03, subdivision 4; 181.9413; Minnesota Rules, parts 3400.0020, subpart 8; 3400.0030; 3400.0060, subparts 2, 4, 6, 6a, 7.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1
WOMEN'S ECONOMIC SECURITY ACT

Section 1. **CITATION; WOMEN'S ECONOMIC SECURITY ACT.**

This act shall be known as the Women's Economic Security Act.

ARTICLE 2
ECONOMIC SECURITY

Section 1. Minnesota Statutes 2013 Supplement, section 116L.665, subdivision 2, is amended to read:

Subd. 2. **Membership.** The governor's Workforce Development Council is composed of 31 members appointed by the governor. The members may be removed pursuant to section 15.059. In selecting the representatives of the council, the governor shall ensure that 50 percent of the members come from nominations provided by local workforce councils. Local education representatives shall come from nominations provided by local education to employment partnerships. The 31 members shall represent the following sectors:

(a) State agencies: the following individuals shall serve on the council:

- (1) commissioner of the Minnesota Department of Employment and Economic Development;
- (2) commissioner of the Minnesota Department of Education; and
- (3) commissioner of the Minnesota Department of Human Services.

(b) Business and industry: six individuals shall represent the business and industry sectors of Minnesota.

(c) Organized labor: six individuals shall represent labor organizations of Minnesota.

(d) Community-based organizations: four individuals shall represent community-based organizations of Minnesota. Community-based organizations are defined by the Workforce Investment Act as private nonprofit organizations that are representative of communities or significant segments of communities and that have demonstrated expertise and effectiveness in the field of workforce investment and may include entities that provide job training services, serve youth, serve individuals with disabilities, serve displaced homemakers, union-related organizations, employer-related nonprofit organizations, and organizations serving nonreservation Indians and tribal governments.

(e) Education: six individuals shall represent the education sector of Minnesota as follows:

- (1) one individual shall represent local public secondary education;
- (2) one individual shall have expertise in design and implementation of school-based service-learning;
- (3) one individual shall represent leadership of the University of Minnesota;
- (4) one individual shall represent secondary/postsecondary vocational institutions;
- (5) the chancellor of the Board of Trustees of the Minnesota State Colleges and Universities; and

- (6) one individual shall have expertise in agricultural education.
- (f) Other: two individuals shall represent other constituencies including:
 - (1) units of local government; and
 - (2) applicable state or local programs.

The speaker and the minority leader of the house of representatives shall each appoint a representative to serve as an ex officio member of the council. The majority and minority leaders of the senate shall each appoint a senator to serve as an ex officio member of the council.

The governor shall appoint one individual representing public libraries, one individual with expertise in assisting women in obtaining employment in high-wage, high-demand, nontraditional occupations, and one individual representing adult basic education programs to serve as a nonvoting ~~advisor~~ advisors to the council.

(g) Appointment: each member shall be appointed for a term of three years from the first day of January or July immediately following their appointment. Elected officials shall forfeit their appointment if they cease to serve in elected office.

(h) Members of the council are compensated as provided in section 15.059, subdivision 3.

Sec. 2. [116L.99] WOMEN AND HIGH-WAGE, HIGH-DEMAND, NONTRADITIONAL JOBS GRANT PROGRAM.

Subdivision 1. Definitions. (a) For the purpose of this section, the following terms have the meanings given.

(b) "Commissioner" means the commissioner of employment and economic development.

(c) "Eligible organization" includes, but is not limited to:

(1) community-based organizations experienced in serving women;

(2) employers;

(3) business and trade associations;

(4) labor unions and employee organizations;

(5) registered apprenticeship programs;

(6) secondary and postsecondary education institutions located in Minnesota; and

(7) workforce and economic development agencies.

(d) "High-wage, high-demand" means occupations that represent at least 0.1 percent of total employment in the base year, have an annual median salary which is higher than the average for the current year, and are projected to have more total openings as a share of employment than the average.

(e) "Low-income" means income less than 200 percent of the federal poverty guideline adjusted for a family size of four.

(f) "Nontraditional occupations" means those occupations in which women make up less than 25 percent of the workforce as defined under United States Code, title 20, section 2302.

(g) "Registered apprenticeship program" means a program registered under United States Code, title 29, section 50.

Subd. 2. **Grant program.** The commissioner shall establish the women and high-wage, high-demand, nontraditional jobs grant program to increase the number of women in high-wage, high-demand, nontraditional occupations. The commissioner shall make grants to eligible organizations for programs that encourage and assist women to enter high-wage, high-demand, nontraditional occupations including but not limited to those in the skilled trades, science, technology, engineering, and math (STEM) occupations.

Subd. 3. **Use of funds.** (a) Grant funds awarded under this section may be used for:

(1) recruitment, preparation, placement, and retention of women, including low-income women and women over 50 years old, in registered apprenticeships, postsecondary education programs, on-the-job training, and permanent employment in high-wage, high-demand, nontraditional occupations;

(2) secondary or postsecondary education or other training to prepare women to succeed in high-wage, high-demand, nontraditional occupations. Activities under this clause may be conducted by the grantee or in collaboration with another institution, including but not limited to a public or private secondary or postsecondary school;

(3) innovative, hands-on, best practices that stimulate interest in high-wage, high-demand, nontraditional occupations among girls, increase awareness among girls about opportunities in high-wage, high-demand, nontraditional occupations, or increase access to secondary programming leading to jobs in high-wage, high-demand, nontraditional occupations. Best practices include but are not limited to mentoring, internships, or apprenticeships for girls in high-wage, high-demand, nontraditional occupations;

(4) training and other staff development for job seeker counselors and Minnesota family investment program (MFIP) caseworkers on opportunities in high-wage, high-demand, nontraditional occupations;

(5) incentives for employers and sponsors of registered apprenticeship programs to retain women in high-wage, high-demand, nontraditional occupations for more than one year;

(6) training and technical assistance for employers to create a safe and healthy workplace environment designed to retain and advance women, including best practices for addressing sexual harassment, and to overcome gender inequity among employers and registered apprenticeship programs;

(7) public education and outreach activities to overcome stereotypes about women in high-wage, high-demand, nontraditional occupations, including the development of educational and marketing materials; and

(8) support for women in high-wage, high-demand, nontraditional occupations including but not limited to assistance with workplace issues resolution and access to advocacy assistance and services.

(b) Grant applications must include detailed information about how the applicant plans to:

(1) increase women's participation in high-wage, high-demand occupations in which women are currently underrepresented in the workforce;

(2) comply with the requirements under subdivision 3; and

(3) use grant funds in conjunction with funding from other public or private sources.

(c) In awarding grants under this subdivision, the commissioner shall give priority to eligible organizations:

(1) with demonstrated success in recruiting and preparing women, especially low-income women and women over 50 years old, for high-wage, high-demand, nontraditional occupations; and

(2) that leverage additional public and private resources.

(d) At least 50 percent of total grant funds must be awarded to programs providing services and activities targeted to low-income women.

(e) The commissioner of employment and economic development in conjunction with the commissioner of labor and industry shall monitor the use of funds under this section, collect and compile information on the activities of other state agencies and public or private entities that have purposes similar to those under this section, and identify other public and private funding available for these purposes.

Sec. 3. Minnesota Statutes 2012, section 268.095, subdivision 1, is amended to read:

Subdivision 1. **Quit.** An applicant who quit employment is ineligible for all unemployment benefits according to subdivision 10 except when:

(1) the applicant quit the employment because of a good reason caused by the employer as defined in subdivision 3;

(2) the applicant quit the employment to accept other covered employment that provided substantially better terms and conditions of employment, but the applicant did not work long enough at the second employment to have sufficient subsequent earnings to satisfy the period of ineligibility that would otherwise be imposed under subdivision 10 for quitting the first employment;

(3) the applicant quit the employment within 30 calendar days of beginning the employment because the employment was unsuitable for the applicant;

(4) the employment was unsuitable for the applicant and the applicant quit to enter reemployment assistance training;

(5) the employment was part time and the applicant also had full-time employment in the base period, from which full-time employment the applicant separated because of reasons for which the applicant was held not to be ineligible, and the wage credits from the full-time employment are sufficient to meet the minimum requirements to establish a benefit account under section 268.07;

(6) the applicant quit because the employer notified the applicant that the applicant was going to be laid off because of lack of work within 30 calendar days. An applicant who quit employment within 30 calendar days of a notified date of layoff because of lack of work is ineligible for unemployment benefits through the end of the week that includes the scheduled date of layoff;

(7) the applicant quit the employment (i) because the applicant's serious illness or injury made it medically necessary that the applicant quit; or (ii) in order to provide necessary care because of the illness, injury, or disability of an immediate family member of the applicant. This exception only applies if the applicant informs the employer of the medical problem and requests accommodation and no reasonable accommodation is made available.

If the applicant's serious illness is chemical dependency, this exception does not apply if the applicant was previously diagnosed as chemically dependent or had treatment for chemical dependency, and since that diagnosis or treatment has failed to make consistent efforts to control the chemical dependency.

This exception raises an issue of the applicant's being available for suitable employment under section 268.085, subdivision 1, that the commissioner must determine;

(8) the applicant's loss of child care for the applicant's minor child caused the applicant to quit the employment, provided the applicant made reasonable effort to obtain other child care and requested time off or other accommodation from the employer and no reasonable accommodation is available.

This exception raises an issue of the applicant's being available for suitable employment under section 268.085, subdivision 1, that the commissioner must determine;

(9) ~~the applicant quit because~~ domestic abuse, sexual assault, or stalking of the applicant or an immediate family member of the applicant, necessitated the applicant's quitting the employment. ~~Domestic abuse must be shown by one or more of the following:~~

~~(i) a district court order for protection or other documentation of equitable relief issued by a court;~~

~~(ii) a police record documenting the domestic abuse;~~

~~(iii) documentation that the perpetrator of the domestic abuse has been convicted of the offense of domestic abuse;~~

~~(iv) medical documentation of domestic abuse; or~~

~~(v) written statement that the applicant or an immediate family member of the applicant is a victim of domestic abuse, provided by a social worker, member of the clergy, shelter worker, attorney at law, or other professional who has assisted the applicant in dealing with the domestic abuse.~~

~~Domestic abuse for purposes of this clause is defined under section 518B.01; or~~

~~For purposes of this section:~~

~~(i) "domestic abuse" has the meaning given in section 518B.01;~~

~~(ii) "sexual assault" means an act that would constitute a violation of sections 609.342 to 609.3453 or 609.352; and~~

~~(iii) "stalking" means an act that would constitute a violation of section 609.749; or~~

(10) the applicant quit in order to relocate to accompany a spouse whose job location changed making it impractical for the applicant to commute.

EFFECTIVE DATE. This section is effective October 5, 2014, and applies to all determinations and appeal decisions issued on or after that date.

Sec. 4. Minnesota Statutes 2012, section 268.095, subdivision 6, is amended to read:

Subd. 6. **Employment misconduct defined.** (a) Employment misconduct means any intentional, negligent, or indifferent conduct, on the job or off the job that displays clearly:

(1) a serious violation of the standards of behavior the employer has the right to reasonably expect of the employee; or

(2) a substantial lack of concern for the employment.

(b) Regardless of paragraph (a), the following is not employment misconduct:

(1) conduct that was a consequence of the applicant's mental illness or impairment;

(2) conduct that was a consequence of the applicant's inefficiency or inadvertence;

(3) simple unsatisfactory conduct;

(4) conduct an average reasonable employee would have engaged in under the circumstances;

(5) conduct that was a consequence of the applicant's inability or incapacity;

(6) good faith errors in judgment if judgment was required;

(7) absence because of illness or injury of the applicant, with proper notice to the employer;

(8) absence, with proper notice to the employer, in order to provide necessary care because of the illness, injury, or disability of an immediate family member of the applicant;

(9) conduct that was a consequence of the applicant's chemical dependency, unless the applicant was previously diagnosed chemically dependent or had treatment for chemical dependency, and since that diagnosis or treatment has failed to make consistent efforts to control the chemical dependency; or

(10) conduct that was a consequence of the applicant, or an immediate family member of the applicant, being a victim of domestic abuse ~~as defined under section 518B.01, sexual assault, or stalking. Domestic abuse must be shown as provided for in subdivision 1, clause (9).~~

(c) Regardless of paragraph (b), clause (9), conduct in violation of sections 169A.20, 169A.31, or 169A.50 to 169A.53 that interferes with or adversely affects the employment is employment misconduct.

(d) If the conduct for which the applicant was discharged involved only a single incident, that is an important fact that must be considered in deciding whether the conduct rises to the level of employment misconduct under paragraph (a). This paragraph does not require that a determination under section 268.101 or decision under section 268.105 contain a specific acknowledgment or explanation that this paragraph was considered.

(e) The definition of employment misconduct provided by this subdivision is exclusive and no other definition applies.

EFFECTIVE DATE. This section is effective October 5, 2014, and applies to all determinations and appeal decisions issued on or after that date.

Sec. 5. **HIGH-WAGE, HIGH-DEMAND, NONTRADITIONAL JOBS PROGRAM APPROPRIATION.**

\$500,000 is appropriated from the general fund in fiscal year 2015 to the commissioner of employment and economic development to develop and implement the women and high-wage, high-demand, nontraditional jobs grant program under Minnesota Statutes, section 116L.99. Funds available under this section must not supplant other funds available for the same purposes.

Sec. 6. **WOMEN ENTREPRENEURS BUSINESS DEVELOPMENT; APPROPRIATION.**

(a) \$500,000 in fiscal year 2015 is appropriated from the general fund to the commissioner of employment and economic development for grants to Women Venture and the Arrowhead Economic Opportunity Agency to facilitate and promote the creation and expansion of women-owned businesses. Funds available under this section must be divided equally among grant recipients. This is a onetime appropriation. Grant funds may be used only for the purposes under paragraph (b) except that up to ten percent of each grant award may be used by grant recipients for administrative costs.

(b) Grants awarded under this section must be used for:

(1) entrepreneurial training, mentoring, and technical assistance for the startup or expansion of eligible women-owned businesses;

(2) development of networks of potential investors for eligible women-owned businesses; and

(3) development of recruitment programs for mid-career women with an interest in starting eligible women-owned businesses.

(c) For the purposes of this section "eligible women-owned business" means a business entity:

(1) that is at least 51 percent female owned or, in the case of a publicly traded business, at least 51 percent of the stock is female owned;

(2) whose management and daily operations are controlled by women;

(3) that is organized for profit;

(4) that is projected to generate at least \$500,000 in annual revenue and create at least ten jobs, each of which pay an annual income equal to at least 200 percent of the federal poverty guideline adjusted for a family size of four; and

(5) in the field of construction; transportation; warehousing; agriculture; mining; finance; insurance; professional, technical, or scientific services; technology; or other industries with businesses meeting the revenue and job creation requirements of clause (4).

(d) A grant award under this section does not affect any other grant award or appropriation made to a grant recipient.

Sec. 7. **WOMEN AND HIGH-WAGE, HIGH-DEMAND, NONTRADITIONAL JOBS APPRENTICESHIPS; APPROPRIATION.**

\$250,000 is appropriated from the general fund in fiscal year 2015 to the commissioner of labor and industry for the labor education advancement program under Minnesota Statutes, section 178.11, to educate, promote, assist, and support women to enter apprenticeship programs in high-wage, high-demand, nontraditional occupations. Funds available under this section must not supplant other funds available for the same purposes.

ARTICLE 3
LABOR STANDARDS AND WAGES

Section 1. Minnesota Statutes 2012, section 181.940, subdivision 2, is amended to read:

Subd. 2. **Employee.** "Employee" means a person who performs services for hire for an employer from whom a leave is requested under sections 181.940 to 181.944 for:

(1) at least 12 ~~consecutive~~ months ~~immediately~~ preceding the request; and

(2) for an average number of hours per week equal to one-half the full-time equivalent position in the employee's job classification as defined by the employer's personnel policies or practices or pursuant to the provisions of a collective bargaining agreement, during ~~those 12 months~~ the 12-month period immediately preceding the leave.

Employee includes all individuals employed at any site owned or operated by the employer but does not include an independent contractor.

Sec. 2. Minnesota Statutes 2012, section 181.941, is amended to read:

181.941 PREGNANCY AND PARENTING LEAVE.

Subdivision 1. **Six Twelve-week leave; pregnancy, birth, or adoption.** (a) An employer must grant an unpaid leave of absence to an employee who is ~~a natural or adoptive parent in conjunction with the birth or adoption of a child. The length of the leave shall be determined by the employee, but may not exceed six weeks, unless agreed to by the employer.;~~

(1) a natural or adoptive parent in conjunction with the birth or adoption of a child; or

(2) a female employee for prenatal care, or incapacity due to pregnancy, childbirth, or related health conditions.

(b) The length of the leave shall be determined by the employee, but must not exceed 12 weeks, unless agreed to by the employer.

Subd. 2. **Start of leave.** The leave shall begin at a time requested by the employee. The employer may adopt reasonable policies governing the timing of requests for unpaid leave- and may require an employee who plans to take a leave under this section to give the employer reasonable notice of the date the leave shall commence and the estimated duration of the leave. For leave taken under subdivision 1, paragraph (a), clause (1), the leave ~~may~~ must begin ~~not more than six weeks after~~ within 12 months of the birth or adoption; except that, in the case where the child must remain in the hospital longer than the mother, the leave ~~may not~~ must begin ~~more than six weeks~~ within 12 months after the child leaves the hospital.

Subd. 3. **No employer retribution.** An employer shall not retaliate against an employee for requesting or obtaining a leave of absence as provided by this section.

Subd. 4. **Continued insurance.** The employer must continue to make coverage available to the employee while on leave of absence under any group insurance policy, group subscriber contract, or health care plan for the employee and any dependents. Nothing in this section requires the employer to pay the costs of the insurance or health care while the employee is on leave of absence.

Sec. 3. **[181.9414] PREGNANCY ACCOMMODATIONS.**

Subdivision 1. **Accommodation.** An employer must provide reasonable accommodation for an employee for conditions related to pregnancy, childbirth, or related health conditions, if she so requests. The employer may provide the accommodation requested by the employee or an equally effective alternative. "Reasonable accommodation" includes, but is not limited to: seating, frequent restroom breaks, and limits to heavy lifting.

Subd. 2. **Transfer.** An employer must temporarily transfer a pregnant female employee to a less strenuous or hazardous position for the duration of her pregnancy if she so requests where that transfer can be reasonably accommodated. An employee requesting a temporary transfer shall be required to provide to the employer a certification of medical necessity from her doctor. However, no employer shall be required by this subdivision to create additional employment that the employer would not otherwise have created, nor shall the employer be required to discharge any employee, transfer any employee with more seniority, or promote any employee who is not qualified to perform the job.

Subd. 3. **Interaction with other laws.** Nothing in this section shall be construed to affect any other provision of law relating to sex discrimination or pregnancy, or in any way to diminish the coverage of pregnancy, childbirth, or health conditions related to pregnancy or childbirth under any other provisions of any other law.

Subd. 4. **No employer retribution.** An employer shall not retaliate against an employee for requesting or obtaining accommodation under this section.

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

Sec. 4. Minnesota Statutes 2012, section 181.943, is amended to read:

181.943 RELATIONSHIP TO OTHER LEAVE.

(a) The length of ~~parental~~ leave provided under section 181.941 may be reduced by any period of ~~paid parental or disability leave, but not accrued sick leave, provided by the employer, so that the total leave does not exceed six weeks, unless agreed to by the employer.;~~

(1) paid parental, disability, personal, medical, or sick leave, or accrued vacation provided by the employer so that the total leave does not exceed 12 weeks, unless agreed to by the employer; or

(2) leave taken for the same purpose by the employee under United States Code, title 29, chapter 28.

(b) Nothing in sections 181.940 to 181.943 prevents any employer from providing leave benefits in addition to those provided in sections 181.940 to 181.944 or otherwise affects an employee's rights with respect to any other employment benefit.

ARTICLE 4
EMPLOYMENT PROTECTIONS

Section 1. Minnesota Statutes 2012, section 181.939, is amended to read:

181.939 NURSING MOTHERS.

(a) An employer must provide reasonable unpaid break time each day to an employee who needs to express breast milk for her infant child. The break time must, if possible, run concurrently with any break time already provided to the employee. An employer is not required to provide break time under this section if to do so would unduly disrupt the operations of the employer.

(b) The employer must make reasonable efforts to provide a room or other location, in close proximity to the work area, other than a toilet stall, that is shielded from view and free from intrusion and that includes access to an electrical outlet, where the employee can express her milk in privacy. The employer would be held harmless if reasonable effort has been made.

(c) For the purposes of this section, "employer" means a person or entity that employs one or more employees and includes the state and its political subdivisions.

(d) A violation of this section is an unfair employment practice as provided for under section 363A.08, subdivision 8.

Sec. 2. Minnesota Statutes 2012, section 363A.03, is amended by adding a subdivision to read:

Subd. 18a. **Family caregiver.** "Family caregiver" means a person who cares for another person:

(1) who is related by blood, marriage, or legal custody; or

(2) with whom the person lives in a familial relationship.

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

Sec. 3. Minnesota Statutes 2012, section 363A.08, subdivision 1, is amended to read:

Subdivision 1. **Labor organization.** Except when based on a bona fide occupational qualification, it is an unfair employment practice for a labor organization, because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, familial status, status as a family caregiver, disability, sexual orientation, or age:

(1) to deny full and equal membership rights to a person seeking membership or to a member;

(2) to expel a member from membership;

(3) to discriminate against a person seeking membership or a member with respect to hiring, apprenticeship, tenure, compensation, terms, upgrading, conditions, facilities, or privileges of employment; or

(4) to fail to classify properly, or refer for employment or otherwise to discriminate against a person or member.

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

Sec. 4. Minnesota Statutes 2012, section 363A.08, subdivision 2, is amended to read:

Subd. 2. **Employer.** Except when based on a bona fide occupational qualification, it is an unfair employment practice for an employer, because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, familial status, status as a family caregiver, membership or activity in a local commission, disability, sexual orientation, or age to:

(1) refuse to hire or to maintain a system of employment which unreasonably excludes a person seeking employment; or

(2) discharge an employee; or

(3) discriminate against a person with respect to hiring, tenure, compensation, terms, upgrading, conditions, facilities, or privileges of employment.

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

Sec. 5. Minnesota Statutes 2012, section 363A.08, subdivision 3, is amended to read:

Subd. 3. **Employment agency.** Except when based on a bona fide occupational qualification, it is an unfair employment practice for an employment agency, because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, familial status, status as a family caregiver, disability, sexual orientation, or age to:

(1) refuse or fail to accept, register, classify properly, or refer for employment or otherwise to discriminate against a person; or

(2) comply with a request from an employer for referral of applicants for employment if the request indicates directly or indirectly that the employer fails to comply with the provisions of this chapter.

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

Sec. 6. Minnesota Statutes 2012, section 363A.08, subdivision 4, is amended to read:

Subd. 4. **Employer, employment agency, or labor organization.** (a) Except when based on a bona fide occupational qualification, it is an unfair employment practice for an employer, employment agency, or labor organization, before a person is employed by an employer or admitted to membership in a labor organization, to:

(1) require or request the person to furnish information that pertains to race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, familial status, status as a family caregiver, disability, sexual orientation, or age; or, subject to section 363A.20, to require or request a person to undergo physical examination; unless for the sole and exclusive purpose of national security, information pertaining to national origin is required by the United States, this state or a political subdivision or agency of the United States or this state, or for the sole and exclusive purpose of compliance with the Public Contracts Act or any rule, regulation, or laws of the United States or of this state requiring the information or examination. A law enforcement agency may, after notifying an applicant for a peace officer or part-time peace officer position that the law enforcement agency is commencing the background investigation on the applicant, request the applicant's date of birth, gender, and race on a separate form for the sole and exclusive purpose of conducting a criminal history check, a driver's license check, and fingerprint criminal history inquiry. The form shall include a statement indicating why the data is being collected and what its limited use will be. No document which has date of birth, gender, or race information will be included in the information given to or available to any person who is involved in selecting the person or persons employed other than the background investigator. No person may act both as background investigator and be involved in the selection of an employee except that the background investigator's report about background may be used in that selection as long as no direct or indirect references are made to the applicant's race, age, or gender; or

(2) seek and obtain for purposes of making a job decision, information from any source that pertains to the person's race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, familial status, status as a family caregiver, disability, sexual orientation, or age, unless for the sole and exclusive purpose of compliance with the Public Contracts Act or any rule, regulation, or laws of the United States or of this state requiring the information; or

(3) cause to be printed or published a notice or advertisement that relates to employment or membership and discloses a preference, limitation, specification, or discrimination based on race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, familial status, status as a family caregiver, disability, sexual orientation, or age.

(b) Any individual who is required to provide information that is prohibited by this subdivision is an aggrieved party under sections 363A.06, subdivision 4, and 363A.28, subdivisions 1 to 9.

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

Sec. 7. Minnesota Statutes 2012, section 363A.08, is amended by adding a subdivision to read:

Subd. 8. Nursing mothers. Except when based on a bona fide occupational qualification, any violation of section 181.939 by an employer is an unfair employment practice.

Sec. 8. Minnesota Statutes 2012, section 363A.08, is amended by adding a subdivision to read:

Subd. 9. Wage disclosure protection. (a) An employer shall not:

(1) require nondisclosure by an employee of the employee's wages as a condition of employment;

(2) require an employee to sign a waiver or other document which purports to deny an employee the right to disclose the employee's wages; or

(3) take any adverse employment action against an employee for disclosing the employee's own wages or discussing another employee's wages which have been disclosed voluntarily.

(b) Nothing in this section shall be construed to:

(1) create an obligation on any employer or employee to disclose wages;

(2) permit an employee, without the written consent of the employer, to disclose proprietary information, trade secret information, or information that is otherwise subject to a legal privilege or protected by law;

(3) diminish any existing rights under the National Labor Relations Act under United States Code, title 29; or

(4) permit the employee to disclose wage information to a competitor of their employer.

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

Delete the title and insert:

"A bill for an act relating to economic development; providing for the Women's Economic Security Act; modifying workforce development provisions; modifying eligibility for unemployment benefits; creating women in high-wage, high-demand, nontraditional jobs grant program; offering women entrepreneurs business development competitive grants; modifying pregnancy and parenting leave and accommodations; providing employment protections for women and family caregivers; protecting wage disclosure; appropriating money; amending Minnesota Statutes 2012, sections 181.939; 181.940, subdivision 2; 181.941; 181.943; 268.095, subdivisions 1, 6; 363A.03, by adding a subdivision; 363A.08, subdivisions 1, 2, 3, 4, by adding subdivisions; Minnesota Statutes 2013 Supplement, section 116L.665, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 116L; 181."

With the recommendation that when so amended the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Paymar from the Committee on Public Safety Finance and Policy to which was referred:

H. F. No. 2576, A bill for an act relating to criminal justice; modifying provisions governing expungement of criminal records; requiring business screening services to delete expunged records; allowing expungement of eviction records in certain cases; amending Minnesota Statutes 2012, sections 260B.198, subdivision 6; 332.70, by adding a subdivision; 504B.345, subdivision 1; 609A.02, subdivision 3; 609A.03, subdivisions 5, 7, 8; proposing coding for new law in Minnesota Statutes, chapter 609A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2012, section 260B.198, subdivision 6, is amended to read:

Subd. 6. **Expungement.** ~~Except when legal custody is transferred under the provisions of subdivision 1, clause (4),~~ (a) The court may expunge the adjudication of all records relating to delinquency at any time that it deems advisable if the court determines that expungement of the record would yield a benefit to the subject of the record that outweighs the detriment to the public and public safety in sealing the record and the burden on the court and public agencies or jurisdictions in issuing, enforcing, and monitoring the order.

(b) In making a determination under this subdivision, the court shall consider:

(1) the age, education, experience, and background, including mental and emotional development, of the subject of the record at the time of commission of the offense;

(2) the circumstances and nature and severity of the offense, including any aggravating or mitigating factors in the commission of the offense;

(3) victim and community impact, including age and vulnerability of the victim;

(4) the level of participation of the subject of the record in the planning and carrying out of the offense, including familial or peer influence in the commission of the offense;

(5) the juvenile delinquency and criminal history of the subject of the record;

(6) the programming history of the subject of the record, including child welfare, school and community-based, and probation interventions, and the subject's willingness to participate meaningfully in programming, probation, or both;

(7) any other aggravating or mitigating circumstance bearing on the culpability or potential for rehabilitation of the subject of the record; and

(8) the benefit that expungement would yield to the subject of the record in pursuing education, employment, housing, or other necessities.

(c) A record expunged under this subdivision prior to the effective date of this act may not be opened or exchanged.

(d) Notwithstanding paragraph (a), a record that is expunged under this subdivision on or after the effective date of this act may be opened or exchanged between criminal justice agencies in the same manner as a criminal record under section 609A.03, subdivision 7a, paragraph (b).

(e) Section 609A.03, subdivision 9, applies to an appeal of an order under this subdivision.

EFFECTIVE DATE. This section is effective January 1, 2015.

Sec. 2. Minnesota Statutes 2012, section 332.70, is amended by adding a subdivision to read:

Subd. 3a. **Deletion of expunged records.** If a business screening service knows that a criminal record has been sealed, expunged, or is the subject of a pardon, the screening service shall promptly delete the record.

EFFECTIVE DATE. This section is effective January 1, 2015.

Sec. 3. Minnesota Statutes 2012, section 504B.345, subdivision 1, is amended to read:

Subdivision 1. **General.** (a) If the court or jury finds for the plaintiff, the court shall immediately enter judgment that the plaintiff shall have recovery of the premises, and shall tax the costs against the defendant. The court shall issue execution in favor of the plaintiff for the costs and also immediately issue a writ of recovery of premises and order to vacate.

(b) The court shall give priority in issuing a writ of recovery of premises and order to vacate for an eviction action brought under section 504B.171 or on the basis that the tenant is causing a nuisance or seriously endangers the safety of other residents, their property, or the landlord's property.

(c) If the court or jury finds for the defendant;

(1) the court shall enter judgment for the defendant, tax the costs against the plaintiff, and issue execution in favor of the defendant; and

(2) the court may expunge the records relating to the action at the time judgment is entered or after that time.

(d) Except in actions brought: (1) under section 504B.291 as required by section 609.5317, subdivision 1; (2) under section 504B.171; or (3) on the basis that the tenant is causing a nuisance or seriously endangers the safety of other residents, their property, or the landlord's property, upon a showing by the defendant that immediate restitution of the premises would work a substantial hardship upon the defendant or the defendant's family, the court shall stay the writ of recovery of premises and order to vacate for a reasonable period, not to exceed seven days.

EFFECTIVE DATE. This section is effective January 1, 2015.

Sec. 4. Minnesota Statutes 2012, section 609A.02, subdivision 3, is amended to read:

Subd. 3. **Certain criminal proceedings not resulting in conviction.** (a) A petition may be filed under section 609A.03 to seal all records relating to an arrest, indictment or information, trial, or verdict if the records are not subject to section 299C.11, subdivision 1, paragraph (b), and if:

(1) all pending actions or proceedings were resolved in favor of the petitioner. For purposes of this chapter, a verdict of not guilty by reason of mental illness is not a resolution in favor of the petitioner;

(2) the petitioner has successfully completed the terms of a diversion program or stay of adjudication and has not been charged with a new crime for at least two years since completion of the diversion program or stay of adjudication;

(3) the petitioner was convicted of or received a stayed sentence for a petty misdemeanor, misdemeanor, or gross misdemeanor and has not been convicted of a new crime for at least five years since discharge of the sentence for the crime; or

(4) the petitioner was convicted of or received a stayed sentence for a felony violation of an offense listed in paragraph (b), and has not been convicted of a new crime for at least eight years since discharge of the sentence for the crime.

(b) Paragraph (a), clause (4), applies to the following offenses:

(1) section 35.824 (altering livestock certificate);

(2) section 62A.41 (insurance regulations);

(3) section 86B.865, subdivision 1 (certification for title on watercraft);

(4) section 152.025 (controlled substance in the fifth degree); or 152.097 (sale of simulated controlled substance);

(5) section 168A.30, subdivision 1 (certificate of title false information); or 169.09, subdivision 14, paragraph (a), clause (2) (accident resulting in great bodily harm);

(6) chapter 201; 203B; or 204C (voting violations);

(7) section 228.45; 228.47; 228.49; 228.50; or 228.51 (false bill of lading);

(8) section 256.984 (false declaration in assistance application);

(9) section 296A.23, subdivision 2 (willful evasion of fuel tax);

(10) section 297D.09, subdivision 1 (failure to affix stamp on scheduled substances);

(11) section 297G.19 (liquor taxation); or 340A.701 (unlawful acts involving liquor);

(12) section 325F.743 (precious metal dealers); or 325F.755, subdivision 7 (prize notices and solicitations);

(13) section 346.155, subdivision 10 (failure to control regulated animal);

(14) section 349.2127; or 349.22 (gambling regulations);

(15) section 609.27, subdivision 1, clauses (2) to (5) (coercion);

(16) section 609.31 (leaving state to evade establishment of paternity);

(17) section 609.485, subdivision 4, paragraph (a), clause (2) or (4) (escape from civil commitment or mental illness);

(18) section 609.49 (failure to appear in court);

(19) section 609.52, subdivision 3, clause (3)(a) (theft of \$5,000 or less), or other theft offense that is sentenced under this provision; or 609.52, subdivision 3a, clause (1) (theft of \$1,000 or less with risk of bodily harm);

- (20) section 609.525 (bringing stolen goods into state);
- (21) section 609.526, subdivision 2, clause (2) (metal dealer receiving stolen goods);
- (22) section 609.527, subdivision 5b (possession or use of scanning device or reencoder); 609.528, subdivision 3, clause (3) (possession or sale of stolen or counterfeit check); or 609.529 (mail theft);
- (23) section 609.535, subdivision 2a, paragraph (a), clause (1) (dishonored check over \$500);
- (24) section 609.54, clause (1) (embezzlement of public funds \$2,500 or less);
- (25) section 609.551 (rustling and livestock theft);
- (26) section 609.5641, subdivision 1a, paragraph (a) (wildfire arson);
- (27) section 609.576, subdivision 1, clause (3), item (iii) (negligent fires);
- (28) section 609.595, subdivision 1, clauses (2) to (4), and subdivision 1a, paragraph (a) (criminal damage to property);
- (29) section 609.597, subdivision 3, clause (3) (assaulting or harming police horse);
- (30) section 609.625 (aggravated forgery); 609.63 (forgery); 609.631, subdivision 4, clause (3)(a) (check forgery \$2,500 or less); 609.635 (obtaining signature by false pretense); 609.64 (recording, filing forged instrument); or 609.645 (fraudulent statements);
- (31) section 609.65, clause (1) (false certification by notary); or 609.651, subdivision 4, paragraph (a) (lottery fraud);
- (32) section 609.652 (fraudulent driver's license and identification card);
- (33) section 609.66, subdivision 1a, paragraph (a) (discharge of firearm; silencer); or 609.66, subdivision 1b (furnishing firearm to minor);
- (34) section 609.662, subdivision 2, paragraph (b) (duty to render aid);
- (35) section 609.686, subdivision 2 (tampering with fire alarm);
- (36) section 609.746, subdivision 1, paragraph (e) (interference with privacy; subsequent violation or minor victim);
- (37) section 609.80, subdivision 2 (interference with cable communications system);
- (38) section 609.821, subdivision 2 (financial transaction card fraud);
- (39) section 609.822 (residential mortgage fraud);
- (40) section 609.825, subdivision 2 (bribery of participant or official in contest);
- (41) section 609.855, subdivision 2, paragraph (c), clause (1) (interference with transit operator);

(42) section 609.88 (computer damage); or 609.89 (computer theft);

(43) section 609.893, subdivision 2 (telecommunications and information services fraud);

(44) section 609.894, subdivision 3 or 4 (cellular counterfeiting);

(45) section 609.895, subdivision 3, paragraph (a) or (b) (counterfeited intellectual property);

(46) section 609.896 (movie pirating);

(47) section 624.7132, subdivision 15, paragraph (b) (transfer pistol to minor); 624.714, subdivision 1a (pistol without permit; subsequent violation); or 624.7141, subdivision 2 (transfer of pistol to ineligible person); or

(48) section 624.7181 (rifle or shotgun in public by minor).

(c) Paragraph (a), clause (3), does not apply if the crime involved domestic abuse or sexual assault, as defined in section 518B.01, subdivision 2, or to violation of an order for protection under section 518B.01, subdivision 14, a harassment restraining order under section 609.748, subdivision 6, a violation of section 609.749, or a violation of section 629.75. This paragraph expires on July 15, 2015.

EFFECTIVE DATE. This section is effective January 1, 2015.

Sec. 5. [609A.025] NO PETITION REQUIRED IN CERTAIN CASES WITH PROSECUTOR AGREEMENT AND NOTIFICATION.

(a) If the prosecutor agrees to the sealing of a criminal record, the court shall order the sealing of the criminal record for a person described in section 609A.02, subdivision 3, without the filing of a petition unless it determines that the interests of the public and public safety in keeping the record public outweigh the disadvantages to the subject of the record in not sealing it.

(b) Before agreeing to the sealing of a record under this section, the prosecutor shall make a good faith effort to notify any identifiable victims of the offense of the intended agreement and the opportunity to object to the agreement.

(c) Subject to paragraph (b), the agreement of the prosecutor to the sealing of records for a person described in section 609A.02, subdivision 3, paragraph (a), clause (2), may occur before or after the criminal charges are dismissed.

EFFECTIVE DATE. This section is effective January 1, 2015.

Sec. 6. Minnesota Statutes 2012, section 609A.03, subdivision 5, is amended to read:

Subd. 5. **Nature of remedy; standard.** (a) Except as otherwise provided by paragraph (b), expungement of a criminal record is an extraordinary remedy to be granted only upon clear and convincing evidence that it would yield a benefit to the petitioner commensurate with the disadvantages to the public and public safety of:

(1) sealing the record; and

(2) burdening the court and public authorities to issue, enforce, and monitor an expungement order.

(b) Except as otherwise provided by this paragraph, if the petitioner is petitioning for the sealing of a criminal record under section 609A.02, subdivision 3, paragraph (a), clause (1) or (2), the court shall grant the petition to seal the record unless the agency or jurisdiction whose records would be affected establishes by clear and convincing evidence that the interests of the public and public safety outweigh the disadvantages to the petitioner of not sealing the record.

(c) In making a determination under this subdivision, the court shall consider:

(1) the nature and severity of the underlying crime, the record of which would be sealed;

(2) the risk, if any, the petitioner poses to individuals or society;

(3) the length of time since the crime occurred;

(4) the steps taken by the petitioner toward rehabilitation following the crime;

(5) aggravating or mitigating factors relating to the underlying crime, including the petitioner's level of participation, claims of innocence, context and circumstances of the underlying crime, and irregularities in the trial;

(6) the reasons for the expungement, including the petitioner's attempts to obtain employment, housing, or other necessities;

(7) the petitioner's criminal record;

(8) the petitioner's record of employment and community involvement;

(9) the recommendations of interested law enforcement, prosecutorial, and corrections officials;

(10) the recommendations of victims of the underlying crime; and

(11) other factors deemed relevant by the court.

(d) Notwithstanding section 13.82, 13.87, or any other law to the contrary, if the court issues an expungement order it may require that the criminal record be sealed, the existence of the record not be revealed, and the record not be opened except as required under subdivision 7. Records must not be destroyed or returned to the subject of the record.

(e) Information relating to a criminal history record of an employee, former employee, or tenant that has been expunged before the occurrence of the act giving rise to the civil action may not be introduced as evidence in a civil action against a private employer or landlord or its employees or agents that is based on the conduct of the employee, former employee, or tenant.

EFFECTIVE DATE. This section is effective January 1, 2015.

Sec. 7. Minnesota Statutes 2012, section 609A.03, is amended by adding a subdivision to read:

Subd. 6a. Order when context and circumstances of the underlying crime indicate a nexus between the criminal record to be expunged and person's status as a crime victim. If the court finds, under section 609A.03, subdivision 5, paragraph (b), clause (5), that the context and circumstances of the underlying crime indicate a nexus between the criminal record to be expunged and the person's status as a crime victim, then the effect of the court order to seal the record of the proceedings shall be to restore the person, in the contemplation of the law, to the

status the person occupied before the arrest, indictment, or information. The person shall not be guilty of perjury or otherwise of giving a false statement if the person fails to acknowledge the arrest, indictment, information, or trial in response to any inquiry made for any purpose. The court may request a sworn statement from a staff member of a state-funded victim services organization or a licensed health care provider as evidence to support a determination under section 609A.03, subdivision 5.

Sec. 8. Minnesota Statutes 2012, section 609A.03, subdivision 7, is amended to read:

Subd. 7. **Limitations of order.** (a) Upon issuance of an expungement order related to a charge supported by probable cause, the DNA samples and DNA records held by the Bureau of Criminal Apprehension and collected under authority other than section 299C.105, shall not be sealed, returned to the subject of the record, or destroyed.

(b) Notwithstanding the issuance of an expungement order:

(1) an expunged record may be opened for purposes of a criminal investigation, prosecution, or sentencing, upon an ex parte court order;

(2) an expunged record of a conviction may be opened for purposes of evaluating a prospective employee in a criminal justice agency without a court order; and

(3) an expunged record of a conviction may be opened for purposes of a background study under section 245C.08 unless the court order for expungement is directed specifically to the commissioner of human services.

Upon request by law enforcement, prosecution, or corrections authorities, an agency or jurisdiction subject to an expungement order shall inform the requester of the existence of a sealed record and of the right to obtain access to it as provided by this paragraph. For purposes of this section, a "criminal justice agency" means courts or a government agency that performs the administration of criminal justice under statutory authority.

(c) This subdivision applies to expungement orders subject to its limitations and effective before January 1, 2015.

EFFECTIVE DATE. This section is effective January 1, 2015.

Sec. 9. Minnesota Statutes 2012, section 609A.03, is amended by adding a subdivision to read:

Subd. 7a. **Limitations of order.** (a) Upon issuance of an expungement order related to a charge supported by probable cause, the DNA samples and DNA records held by the Bureau of Criminal Apprehension and collected under authority other than section 299C.105 shall not be sealed, returned to the subject of the record, or destroyed.

(b) Notwithstanding the issuance of an expungement order:

(1) except as provided in clause (2), an expunged record may be exchanged between criminal or civil justice agencies without a court order;

(2) a record where the person was found not guilty of a charge not arising out of the same set of facts and circumstances as another charge that was expunged under section 609A.02, subdivision 3, paragraph (a), clause (1), may be opened for purposes of a criminal investigation, prosecution, or sentencing, upon an ex parte order, if the requesting agency states a good faith basis to believe that opening the record may lead to relevant information.

(3) an expunged record of a conviction may be opened for purposes of evaluating a prospective employee in a criminal justice agency without a court order;

(4) an expunged record of a conviction may be opened for purposes of a background study under section 245C.08 unless the court order for expungement is directed specifically to the commissioner of human services; and

(5) the court may order an expunged record opened upon request by the victim of the underlying offense if the court determines that the record is substantially related to a matter for which the victim is before the court or another entity.

(c) An agency or jurisdiction subject to an expungement order shall maintain the record in a manner that provides access to the record by a criminal or civil justice agency under paragraph (b), clause (1) or (2), but notifies the recipient that the record has been sealed. Upon request by the commissioner of human services, an agency or jurisdiction subject to an expungement order shall inform the commissioner of the existence of the sealed record and of the right to obtain access to the record under paragraph (b), clause (4). An expunged record that is opened or exchanged under this subdivision remains subject to the expungement order in the hands of the person receiving the record.

(d) For purposes of this section, a "criminal justice agency" means a court or government agency that performs the administration of criminal justice under statutory authority, and a "civil justice agency" means a court or government agency that performs the administration of civil justice under statutory authority.

(e) This subdivision applies to expungement orders subject to its limitations and effective on or after January 1, 2015.

EFFECTIVE DATE. This section is effective January 1, 2015.

Sec. 10. Minnesota Statutes 2012, section 609A.03, subdivision 8, is amended to read:

Subd. 8. **Distribution and confirmation of expungement orders.** (a) The court administrator shall send a copy of an expungement order to each agency and jurisdiction whose records are affected by the terms of the order and send a letter to the petitioner identifying each agency that received the order.

(b) Each agency and jurisdiction receiving the order must send a letter to the petitioner confirming that the record has been expunged.

(c) Data on the petitioner in a letter sent under this subdivision are private data on individuals as defined in section 13.02.

EFFECTIVE DATE. This section is effective January 1, 2015.

Sec. 11. **AGENCY COMPLIANCE.**

A criminal justice agency must comply with the requirements of section 9 by January 1, 2016.

EFFECTIVE DATE. This section is effective January 1, 2015."

Correct the title numbers accordingly

With the recommendation that when so amended the bill be re-referred to the Committee on Early Childhood and Youth Development Policy.

The report was adopted.

Mullery from the Committee on Early Childhood and Youth Development Policy to which was referred:

H. F. No. 2583, A bill for an act relating to education; creating a 21st century skills development pilot project; appropriating money.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Education Finance.

The report was adopted.

Erhardt from the Committee on Transportation Policy to which was referred:

H. F. No. 2591, A bill for an act relating to transportation; establishing a state parks and trails license plate; creating an account; appropriating money; amending Minnesota Statutes 2012, section 85.053, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 85; 168.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Environment, Natural Resources and Agriculture Finance.

The report was adopted.

Erhardt from the Committee on Transportation Policy to which was referred:

H. F. No. 2628, A bill for an act relating to natural resources; providing for rest areas to be used as watercraft decontamination sites.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Transportation Finance.

The report was adopted.

Mahoney from the Committee on Jobs and Economic Development Finance and Policy to which was referred:

H. F. No. 2658, A bill for an act relating to workers' compensation; adopting the recommendations of the Workers' Compensation Advisory Council; amending Minnesota Statutes 2012, sections 176.129, subdivisions 2a, 7; 176.135, subdivision 7; 176.136, subdivision 1a; 176.231, subdivision 2; 176.305, subdivision 1a; Minnesota Statutes 2013 Supplement, section 176.011, subdivision 15; repealing Minnesota Statutes 2012, sections 175.006, subdivision 1; 175.08; 175.14; 175.26; 176.1311; 176.136, subdivision 3; 176.2615; 176.641.

Reported the same back with the recommendation that the bill be re-referred to the Committee on State Government Finance and Veterans Affairs.

The report was adopted.

Nelson from the Committee on Government Operations to which was referred:

H. F. No. 2701, A bill for an act relating to disaster relief; creating a disaster assistance contingency account; requiring transfer of unused disaster relief appropriations to the disaster assistance contingency account; establishing a disaster relief cost-share relationship between the state, local governments, and American Indian tribes and bands; authorizing state public disaster assistance in the absence of federal public disaster assistance; appropriating money; amending Minnesota Statutes 2012, sections 12.03, by adding subdivisions; 12.221, subdivision 4, by adding a subdivision; 12A.02, subdivision 2, by adding subdivisions; 12A.03, subdivision 3; 12A.15, subdivision 1; 16A.28, by adding a subdivision; proposing coding for new law as Minnesota Statutes, chapter 12B.

Reported the same back with the following amendments:

Page 6, line 34, delete "\$1,000" and insert "\$10,000"

Page 9, after line 13, insert:

"Subd. 5. **Reporting payments.** The director must post on the division Web site a list of the recipients and amounts of the payments made under this chapter."

With the recommendation that when so amended the bill be re-referred to the Committee on Public Safety Finance and Policy.

The report was adopted.

Atkins from the Committee on Commerce and Consumer Protection Finance and Policy to which was referred:

H. F. No. 2720, A bill for an act relating to liquor; allowing special closing times during the 2014 baseball All-Star Game.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2012, section 340A.101, is amended by adding a subdivision to read:

Subd. 4a. **Bulk distilled spirits.** "Bulk distilled spirits" means distilled spirits in a container having a capacity in excess of one gallon.

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

Sec. 2. Minnesota Statutes 2012, section 340A.101, is amended by adding a subdivision to read:

Subd. 4b. **Bulk wine.** "Bulk wine" means wine in a container having a capacity of five or more gallons.

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

Sec. 3. **[340A.22] MICRODISTILLERIES.**

Subdivision. 1. **Activities.** (a) A microdistillery licensed under section 340A.301, subdivision 6c, may provide on its premises samples of distilled spirits manufactured on its premises, in an amount not to exceed 15 milliliters per variety per person. No more than 45 milliliters may be sampled under this paragraph by any person on any day.

(b) A microdistillery can sell cocktails to the public, pursuant to subdivision 2.

Subd. 2. **Cocktail room license.** (a) A municipality, including a city with a municipal liquor store, may issue the holder of a microdistillery license under section 340A.301, subdivision 6c, a microdistillery cocktail room license. A microdistillery cocktail room license authorizes on-sale of distilled liquor produced by the distiller for consumption on the premises of or adjacent to one distillery location owned by the distiller. Nothing in this subdivision precludes the holder of a microdistillery cocktail room license from also holding a license to operate a restaurant at the distillery. Section 340A.409 shall apply to a license issued under this subdivision. All provisions of this chapter that apply to a retail liquor license shall apply to a license issued under this subdivision unless the provision is explicitly inconsistent with this subdivision.

(b) A distiller may only have one cocktail room license under this subdivision, and may not have an ownership interest in a distillery licensed under section 340A.301, subdivision 6, paragraph (a). No entity may simultaneously hold a license under section 340A.301, subdivision 6b, and a license under section 340A.301, subdivision 6c. No location may house both licenses.

(c) The municipality shall impose a licensing fee on a distiller holding a microdistillery cocktail room license under this subdivision, subject to limitations applicable to license fees under section 340A.408, subdivision 2, paragraph (a).

(d) A municipality shall, within ten days of the issuance of a license under this subdivision, inform the commissioner of the licensee's name and address and trade name, and the effective date and expiration date of the license. The municipality shall also inform the commissioner of a license transfer, cancellation, suspension, or revocation during the license period.

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

Sec. 4. Minnesota Statutes 2013 Supplement, section 340A.301, subdivision 6c, is amended to read:

~~Subd. 6c. **Microdistilleries.** (a) A microdistillery may provide on its premises samples of distilled spirits manufactured on its premises, in an amount not to exceed 15 milliliters per variety per person. No more than 45 milliliters may be sampled under this paragraph by any person on any day.~~

~~(b) The commissioner shall establish a fee for licensing microdistilleries that adequately covers the cost of issuing the license and other inspection requirements. The fees shall be deposited in an account in the special revenue fund and are appropriated to the commissioner for the purposes of this subdivision.~~

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

Sec. 5. Minnesota Statutes 2013 Supplement, section 340A.301, subdivision 6d, is amended to read:

Subd. 6d. **Small brewer license.** (a) A brewer licensed under subdivision 6, clause (c), (i), or (j), may be issued a license by a municipality for off-sale of malt liquor at its licensed premises that has been produced and packaged by the brewer. The license must be approved by the commissioner. The amount of malt liquor sold at off-sale may not exceed 500 barrels annually. Off-sale of malt liquor shall be limited to the legal hours for off-sale at exclusive

liquor stores in the jurisdiction in which the brewer is located, and the malt liquor sold off-sale must be removed from the premises before the applicable off-sale closing time at exclusive liquor stores, except that growlers may be sold by a small brewer on Sundays. Sunday sales must be approved by the licensing jurisdiction, and hours may be established by those jurisdictions. The malt liquor shall be packed in 64-ounce containers commonly known as "growlers" or in 750 milliliter bottles. The containers or bottles shall bear a twist-type closure, cork, stopper, or plug. At the time of the sale, a paper or plastic adhesive band, strip, or sleeve shall be applied to the container or bottle and extended over the top of the twist-type closure, cork, stopper, or plug forming a seal that must be broken upon opening of the container or bottle. The adhesive band, strip, or sleeve shall bear the name and address of the brewer. The containers or bottles shall be identified as malt liquor, contain the name of the malt liquor, bear the name and address of the brewer selling the malt liquor, and shall be considered intoxicating liquor unless the alcoholic content is labeled as otherwise in accordance with the provisions of Minnesota Rules, part 7515.1100.

(b) A brewer may only have one license under this subdivision.

(c) A municipality may not issue a license under this subdivision to a brewer if the brewer seeking the license, or any person having an economic interest in the brewer seeking the license or exercising control over the brewer seeking the license, is a brewer that brews more than 20,000 barrels of its own brands of malt liquor annually or a winery that produces more than 250,000 gallons of wine annually.

(d) The municipality shall impose a licensing fee on a brewer holding a license under this subdivision, subject to limitations applicable to license fees under section 340A.408, subdivision 3, paragraph (a).

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

Sec. 6. Minnesota Statutes 2013 Supplement, section 340A.301, subdivision 7, is amended to read:

Subd. 7. **Interest in other business.** (a) Except as provided in this subdivision, a holder of a license as a manufacturer, brewer, importer, or wholesaler may not have any ownership, in whole or in part, in a business holding a retail intoxicating liquor or 3.2 percent malt liquor license. The commissioner may not issue a license under this section to a manufacturer, brewer, importer, or wholesaler if a retailer of intoxicating liquor has a direct or indirect interest in the manufacturer, brewer, importer, or wholesaler. A manufacturer or wholesaler of intoxicating liquor may use or have property rented for retail intoxicating liquor sales only if the manufacturer or wholesaler has owned the property continuously since November 1, 1933. A retailer of intoxicating liquor may not use or have property rented for the manufacture or wholesaling of intoxicating liquor.

(b) A brewer licensed under subdivision 6, clause (d), may be issued an on-sale intoxicating liquor or 3.2 percent malt liquor license by a municipality for a restaurant operated in the place of manufacture. Notwithstanding section 340A.405, a brewer who holds an on-sale license issued pursuant to this paragraph may, with the approval of the commissioner, be issued a license by a municipality for off-sale of malt liquor produced and packaged on the licensed premises. Off-sale of malt liquor shall be limited to the legal hours for off-sale at exclusive liquor stores in the jurisdiction in which the brewer is located, and the malt liquor sold off-sale must be removed from the premises before the applicable off-sale closing time at exclusive liquor stores, except that growlers may be sold by a brewer licensed under this paragraph on Sundays. Sunday sales must be approved by the licensing jurisdiction, and hours may be established by these jurisdictions. The malt liquor shall be packaged in 64-ounce containers commonly known as "growlers" or in 750 milliliter bottles. The containers or bottles shall bear a twist-type closure, cork, stopper, or plug. At the time of the sale, a paper or plastic adhesive band, strip, or sleeve shall be applied to the container or bottle and extend over the top of the twist-type closure, cork, stopper, or plug forming a seal that must be broken upon opening of the container or bottle. The adhesive band, strip, or sleeve shall bear the name and address of the brewer. The containers or bottles shall be identified as malt liquor, contain the name of the malt liquor, bear the name and address of the brewer selling the malt liquor, and shall be considered intoxicating liquor unless the alcoholic content is labeled as otherwise in accordance with the provisions of Minnesota Rules, part

7515.1100. A brewer's total retail sales at on- or off-sale under this paragraph may not exceed 3,500 barrels per year, provided that off-sales may not total more than 500 barrels. A brewer licensed under subdivision 6, clause (d), may hold or have an interest in other retail on-sale licenses, but may not have an ownership interest in whole or in part, or be an officer, director, agent, or employee of, any other manufacturer, brewer, importer, or wholesaler, or be an affiliate thereof whether the affiliation is corporate or by management, direction, or control. Notwithstanding this prohibition, a brewer licensed under subdivision 6, clause (d), may be an affiliate or subsidiary company of a brewer licensed in Minnesota or elsewhere if that brewer's only manufacture of malt liquor is:

(i) manufacture licensed under subdivision 6, clause (d);

(ii) manufacture in another state for consumption exclusively in a restaurant located in the place of manufacture; or

(iii) manufacture in another state for consumption primarily in a restaurant located in or immediately adjacent to the place of manufacture if the brewer was licensed under subdivision 6, clause (d), on January 1, 1995.

(c) Except as provided in subdivision 7a, no brewer as defined in subdivision 7a or importer may have any interest, in whole or in part, directly or indirectly, in the license, business, assets, or corporate stock of a licensed malt liquor wholesaler.

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

Sec. 7. Minnesota Statutes 2012, section 340A.315, subdivision 2, is amended to read:

Subd. 2. **Sales.** A license authorizes the sale, on the farm winery premises, of table, sparkling, or fortified wines produced by that farm winery at on-sale or off-sale, in retail, or wholesale lots in total quantities not in excess of ~~50,000~~ 65,000 gallons in a calendar year, glassware, wine literature and accessories, cheese and cheese spreads, other wine-related food items, and the dispensing of free samples of the wines offered for sale. Sales at on-sale and off-sale may be made on Sundays between 10:00 a.m. and 12:00 midnight. Labels for each type or brand produced must be registered with the commissioner, without fee prior to sale. A farm winery may provide samples of distilled spirits manufactured pursuant to subdivision 7, on the farm winery premises, but may sell the distilled spirits only through a licensed wholesaler. Samples of distilled spirits may not exceed 15 milliliters per variety.

EFFECTIVE DATE. This section is effective July 1, 2014.

Sec. 8. Minnesota Statutes 2012, section 340A.315, is amended by adding a subdivision to read:

Subd. 10. **Storage.** A farm winery may store finished wine and distilled spirits in a noncontiguous warehouse location, provided that this location is owned and managed by the farm winery and the location of such warehouses is disclosed on an ongoing basis to the commissioner, and further provided that the chosen location meets any state or federal requirements.

EFFECTIVE DATE. This section is effective July 1, 2014.

Sec. 9. Minnesota Statutes 2012, section 340A.315, is amended by adding a subdivision to read:

Subd. 11. **Bulk wine or distilled spirits.** If no wholesaler is able to provide wine or distilled spirits in bulk form, a farm winery may purchase either wine or distilled spirits in bulk form for purposes allowed under this chapter from any available source allowed under federal law.

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

Sec. 10. Minnesota Statutes 2012, section 340A.316, is amended to read:

340A.316 SACRAMENTAL WINE.

The commissioner may issue licenses to bona fide religious book or supply stores for the importation and sale of wine exclusively for sacramental purposes. The holder of a sacramental wine license may sell wine intended by the manufacturer or the wholesaler for sacramental purposes only to a rabbi, priest, or minister of a church, or other established religious organization, if the purchaser certifies in writing that the wine will be used exclusively for sacramental purposes in religious ceremonies. The annual fee for a sacramental wine license is \$50, inclusive of a retail card required under Minnesota Rules, part 7515.0210. A seller of sacramental wine does not need insurance required under section 340A.409, unless annual sales exceed \$100,000 in the immediate prior year. A rabbi, priest, or minister of a church or other established religious organization may import wine exclusively for sacramental purposes without a license.

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

Sec. 11. Minnesota Statutes 2012, section 340A.404, subdivision 2, is amended to read:

Subd. 2. **Special provision; city of Minneapolis.** (a) The city of Minneapolis may issue an on-sale intoxicating liquor license to the Guthrie Theater, the Cricket Theatre, the Orpheum Theatre, the State Theatre, and the Historic Pantages Theatre, notwithstanding the limitations of law, or local ordinance, or charter provision relating to zoning or school or church distances. The licenses authorize sales on all days of the week to holders of tickets for performances presented by the theaters and to members of the nonprofit corporations holding the licenses and to their guests.

(b) The city of Minneapolis may issue an intoxicating liquor license to 510 Groveland Associates, a Minnesota cooperative, for use by a restaurant on the premises owned by 510 Groveland Associates, notwithstanding limitations of law, or local ordinance, or charter provision.

(c) The city of Minneapolis may issue an on-sale intoxicating liquor license to Zuhrah Shrine Temple for use on the premises owned by Zuhrah Shrine Temple at 2540 Park Avenue South in Minneapolis, ~~and to the American Swedish Institute for use on the premises owned by the American Swedish Institute at 2600 Park Avenue South,~~ notwithstanding limitations of law, or local ordinances, or charter provision relating to zoning or school or church distances.

(d) The city of Minneapolis may issue an on-sale intoxicating liquor license to the American Association of University Women, Minneapolis branch, for use on the premises owned by the American Association of University Women, Minneapolis branch, at 2115 Stevens Avenue South in Minneapolis, notwithstanding limitations of law, or local ordinances, or charter provisions relating to zoning or school or church distances.

(e) The city of Minneapolis may issue an on-sale wine license and an on-sale 3.2 percent malt liquor license to a restaurant located at 5000 Penn Avenue South, and an on-sale wine license and an on-sale malt liquor license to a restaurant located at 1931 Nicollet Avenue South, notwithstanding any law or local ordinance or charter provision.

(f) The city of Minneapolis may issue an on-sale wine license and an on-sale malt liquor license to the Brave New Workshop Theatre located at 3001 Hennepin Avenue South, the Theatre de la Jeune Lune, the Illusion Theatre located at 528 Hennepin Avenue South, the Hollywood Theatre located at 2815 Johnson Street Northeast, the Loring Playhouse located at 1633 Hennepin Avenue South, the Jungle Theater located at 2951 Lyndale Avenue South, Brave New Institute located at 2605 Hennepin Avenue South, the Guthrie Lab located at 700 North First Street, and the Southern Theatre located at 1420 Washington Avenue South, notwithstanding any law or local ordinance or charter provision. The license authorizes sales on all days of the week.

(g) The city of Minneapolis may issue an on-sale intoxicating liquor license to University Gateway Corporation, a Minnesota nonprofit corporation, for use by a restaurant or catering operator at the building owned and operated by the University Gateway Corporation on the University of Minnesota campus, notwithstanding limitations of law, or local ordinance or charter provision. The license authorizes sales on all days of the week.

(h) The city of Minneapolis may issue an on-sale intoxicating liquor license to the Walker Art Center's concessionaire or operator, for a restaurant and catering operator on the premises of the Walker Art Center, notwithstanding limitations of law, or local ordinance or charter provisions. The license authorizes sales on all days of the week.

(i) The city of Minneapolis may issue an on-sale intoxicating liquor license to the Guthrie Theater's concessionaire or operator for a restaurant and catering operator on the premises of the Guthrie Theater, notwithstanding limitations of law, local ordinance, or charter provisions. The license authorizes sales on all days of the week.

(j) The city of Minneapolis may issue an on-sale wine license and an on-sale malt liquor license to the Minnesota Book and Literary Arts Building, Inc.'s concessionaire or operator for a restaurant and catering operator on the premises of the Minnesota Book and Literary Arts Building, Inc. (dba Open Book), notwithstanding limitations of law, or local ordinance or charter provision. The license authorizes sales on all days of the week.

(k) The city of Minneapolis may issue an on-sale intoxicating liquor license to a restaurant located at 5411 Penn Avenue South, notwithstanding any law or local ordinance or charter provision.

(l) The city of Minneapolis may issue an on-sale intoxicating liquor license to the Museum of Russian Art's concessionaire or operator for a restaurant and catering operator on the premises of the Museum of Russian Art located at 5500 Stevens Avenue South, notwithstanding any law or local ordinance or charter provision.

(m) The city of Minneapolis may issue an on-sale intoxicating liquor license to the American Swedish Institute or to its concessionaire or operator for use on the premises owned by the American Swedish Institute at 2600 Park Avenue South, notwithstanding limitations of law, local ordinance, or charter provision relating to zoning or school or church distances.

(n) Notwithstanding any other law, local ordinance, or charter provision, the city of Minneapolis may issue one or more on-sale intoxicating liquor licenses to the Minneapolis Society of Fine Arts (dba Minneapolis Institute of Arts), or to an entity holding a concessions or catering contract with the Minneapolis Institute of Arts for use on the premises of the Minneapolis Institute of Arts. The licenses authorized by this subdivision may be issued for space that is not compact and contiguous, provided that all such space is included in the description of the licensed premises on the approved license application. The licenses authorize sales on all days of the week.

EFFECTIVE DATE. This section is effective upon approval by the Minneapolis City Council and compliance with Minnesota Statutes, section 645.021.

Sec. 12. Minnesota Statutes 2012, section 340A.404, subdivision 5, is amended to read:

Subd. 5. **Wine licenses.** (a) A municipality may issue an on-sale wine license with the approval of the commissioner to a restaurant having facilities for seating at least 25 guests at one time. A wine license permits the sale of wine of up to ~~14~~ 24 percent alcohol by volume for consumption ~~with the sale of food~~. A wine license authorizes the sale of wine on all days of the week unless the issuing authority restricts the license's authorization to the sale of wine on all days except Sundays.

(b) The governing body of a municipality may by ordinance authorize a holder of an on-sale wine license issued pursuant to paragraph (a) who is also licensed to sell 3.2 percent malt liquors at on-sale pursuant to section 340A.411, ~~and whose gross receipts are at least 60 percent attributable to the sale of food,~~ to sell intoxicating malt liquors at on-sale without an additional license.

(c) A municipality may issue an on-sale wine license with the approval of the commissioner to a licensed bed and breakfast facility. A license under this paragraph authorizes a bed and breakfast facility to furnish wine only to registered guests of the facility and, if the facility contains a licensed commercial kitchen, also to guests attending private events at the facility.

(d) The State Agricultural Society may issue an on-sale wine license to the holder of a state fair concession contract pursuant to section 37.21, subdivision 2.

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

Sec. 13. Minnesota Statutes 2012, section 340A.415, is amended to read:

340A.415 LICENSE REVOCATION OR SUSPENSION; CIVIL PENALTY.

On a finding that the license or permit holder has (1) sold alcoholic beverages to another retail licensee for the purpose of resale, (2) purchased alcoholic beverages from another retail licensee for the purpose of resale, (3) conducted or permitted the conduct of gambling on the licensed premises in violation of the law, (4) failed to remove or dispose of alcoholic beverages when ordered by the commissioner to do so under section 340A.508, subdivision 3, or (5) failed to comply with an applicable statute, rule, or ordinance relating to alcoholic beverages, or the operation of the licensed establishment, or failed to comply with a lawful license condition duly imposed by the authority issuing the license or permit or agreed to by the license or permit holder, the commissioner or the authority issuing a retail license or permit under this chapter may revoke the license or permit, suspend the license or permit for up to 60 days, impose a civil penalty of up to \$2,000 for each violation, or impose any combination of these sanctions. No suspension or revocation takes effect until the license or permit holder has been given an opportunity for a hearing under sections 14.57 to 14.69 of the Administrative Procedure Act. This section does not require a political subdivision to conduct the hearing before an employee of the Office of Administrative Hearings. Imposition of a penalty or suspension by either the issuing authority or the commissioner does not preclude imposition of an additional penalty or suspension by the other so long as the total penalty or suspension does not exceed the stated maximum. Nothing in this section shall be construed to limit the applicability of section 340A.509, except that a local authority may not charge a penalty greater than that allowed in this section.

Sec. 14. Minnesota Statutes 2012, section 340A.508, is amended by adding a subdivision to read:

Subd. 5. Mixed drinks or cocktails. Mixed drinks or cocktails mixed on the premises that are not for immediate consumption may be consumed on the licensed premises subject to the requirements of this subdivision. For purposes of this subdivision, a "mixed drink" includes but is not limited to distilled spirits infused with other ingredients, or other mixed drinks commonly referred to as cocktails. This subdivision requires that:

(1) the mixed drinks or cocktails be stored, for no longer than 72 hours, in a labeled container in a quantity that does not exceed five gallons;

(2) infused beverages may be stored in containers in a quantity not to exceed five gallons;

(3) added flavors and other nonbeverage ingredients included in the mixed drinks or cocktails shall not include hallucinogenic substances or added pure or supplemental caffeine or other added stimulants including but not limited to guarana, ginseng, and taurine; and

(4) the licensee keep records as to when the contents in a particular container were mixed and the recipe, including brand names, used for that mixture.

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

Sec. 15. Minnesota Statutes 2012, section 340A.510, subdivision 2, is amended to read:

Subd. 2. **Malt liquor samples authorized.** (a) Notwithstanding section 340A.308, a brewer may purchase from or furnish at no cost to a licensed retailer malt liquor the brewer manufactures if:

(1) the malt liquor is dispensed by the retailer only for samples in a quantity of less than 100 milliliters of malt liquor per variety per customer;

(2) where the brewer furnishes the malt liquor, the retailer makes available for return to the brewer any unused malt liquor and empty containers;

(3) the samples are dispensed by an employee of the retailer or brewer or by a sampling service retained by the retailer or brewer and not affiliated directly or indirectly with a malt liquor wholesaler;

(4) not more than three cases of malt liquor are purchased from or furnished to the retailer by the brewer for each sampling;

(5) each sampling continues for not more than eight hours;

(6) the brewer has furnished malt liquor for not more than ~~five~~ 12 samplings for any retailer in any calendar year;

(7) where the brewer furnishes the malt liquor, the brewer delivers the malt liquor for the sampling to its exclusive wholesaler for that malt liquor;

(8) the brewer has at least seven days before the sampling filed with the commissioner, on a form the commissioner prescribes, written notice of intent to furnish malt liquor for the sampling, which contains (i) the name and address of the retailer conducting the sampling, (ii) the maximum amount of malt liquor to be furnished or purchased by the brewer, (iii) the number of times the brewer has furnished malt liquor to the retailer in the calendar year in which the notice is filed, (iv) the date and time of the sampling, (v) where the brewer furnishes the malt liquor, the exclusive wholesaler to whom the brewer will deliver the malt liquor, and (vi) a statement by the brewer to the effect that to the brewer's knowledge all requirements of this section have been or will be complied with; and

(9) the commissioner has not notified the brewer filing the notice under clause (8) that the commissioner disapproves the notice.

(b) For purposes of this subdivision, "licensed retailer" means a licensed on-sale or off-sale retailer of alcoholic beverages and a municipal liquor store.

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

Sec. 16. **CITY OF RICHFIELD; ON-SALE LICENSE.**

Notwithstanding any law or ordinance to the contrary, in addition to the number of licenses authorized, the city of Richfield may issue an on-sale wine license and an on-sale malt liquor license to a person who is the owner of a professional junior hockey league team or to a person holding a concessions or management contract with the city or

the team owner, for beverage sales at the Richfield Ice Arena. A license issued under this section authorizes sales on all days of the week to persons attending professional junior hockey league games at the arena for consumption on the premises.

EFFECTIVE DATE. This section is effective upon timely compliance by the governing body of the city of Richfield and its chief clerical officer with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

Sec. 17. **CITY OF GOLDEN VALLEY; ON-SALE LICENSE.**

Notwithstanding any law or ordinance to the contrary, the city of Golden Valley may issue an on-sale license to a golf course and community center that is located at 200 Brookview Parkway and is owned by the city.

EFFECTIVE DATE. This section is effective upon approval by the Golden Valley City Council and compliance with Minnesota Statutes, section 645.021.

Sec. 18. **CITY OF BROOKLYN PARK; ON-SALE LICENSE.**

Notwithstanding any law or ordinance to the contrary, the city of Brooklyn Park may issue an on-sale intoxicating liquor license to a wedding event center located at 9500 West River Road North.

EFFECTIVE DATE. This section is effective upon compliance with Minnesota Statutes, section 645.021.

Sec. 19. **SPECIAL CLOSING TIMES; 2014 ALL-STAR GAME.**

During the 2014 Major League Baseball All-Star Game at Target Field, licensing jurisdictions that lie fully or partially within Hennepin County may at their discretion issue special permits for service of alcohol through extended hours lasting until 4:00 a.m. each day. This section is subject to the following conditions:

(1) only holders of an existing on-sale intoxicating liquor license or a 3.2 malt liquor license are eligible for later closing hours;

(2) later closing hours apply only during the period from 12:00 a.m. on July 15, 2014, through 4:00 a.m. on July 16, 2014;

(3) local licensing jurisdictions issuing special permits to operate with extended hours during these days may charge a fee up to but not to exceed \$2,500 for such a permit. In the process of issuing a permit under this section, the licensing jurisdiction may limit approval to specified geographic, zoning, or license classifications within its jurisdiction, or to specific days within the time period described in clause (2); and

(4) this section is repealed as of 4:01 a.m. on July 16, 2014.

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

Sec. 20. **REVISOR'S INSTRUCTION.**

The revisor of statutes, with cooperation from the House Research Department and the Office of Senate Counsel, Research, and Fiscal Analysis, shall prepare legislation to create a separate statute, each, for licensing of brew pubs, small brewers, and other providers of alcohol where statutes have, in the opinion of the revisor of statutes, become intermingled beyond sense.

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

Sec. 21. **REPEALER.**

Laws 2012, chapter 235, section 11, is repealed."

Delete the title and insert:

"A bill for an act relating to liquor; providing for sales, storage, and other regulations of liquor; authorizing, modifying, and establishing licenses; amending Minnesota Statutes 2012, sections 340A.101, by adding subdivisions; 340A.315, subdivision 2, by adding subdivisions; 340A.316; 340A.404, subdivisions 2, 5; 340A.415; 340A.508, by adding a subdivision; 340A.510, subdivision 2; Minnesota Statutes 2013 Supplement, section 340A.301, subdivisions 6c, 6d, 7; proposing coding for new law in Minnesota Statutes, chapter 340A; repealing Laws 2012, chapter 235, section 11."

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Paymar from the Committee on Public Safety Finance and Policy to which was referred:

H. F. No. 2833, A bill for an act relating to public safety; addressing the needs of incarcerated women related to pregnancy and childbirth; proposing coding for new law in Minnesota Statutes, chapter 241.

Reported the same back with the following amendments:

Page 2, line 21, after "pregnancy" insert "unless she is over age 50"

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Nelson from the Committee on Government Operations to which was referred:

H. F. No. 2840, A bill for an act relating to local government; authorizing Rice County to sell real and personal property; requiring dissolution of a hospital district; repealing Laws 1961, chapter 372, sections 1; 2; Laws 1963, chapter 18, sections 1; 2; 3; 4; 5; 6; 7; 8; 9; 10; Laws 1996, chapter 471, article 8, sections 19; 20; 21; 22.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **PRIVATE SALE OF LAND; DISTRICT ONE HOSPITAL BOARD.**

(a) Notwithstanding Laws 1963, chapter 118, section 5, or any other law to the contrary, the District One Hospital District may, without advertising for bids, sell, convey, and transfer management, control, and operation of the hospital, any of the hospital's personal property, and any of the real property described in paragraph (b). Notwithstanding any law to the contrary, the District One Hospital District may include some or all tangible and intangible personal property associated with the hospital as part of the negotiated sale price.

(b) The land referred to in paragraph (a), is located in Rice County and consists of the parcels of property known as the District One Hospital and adjacent property. Legal descriptions for the properties are as follows:

(1) LOT SIX (6), NORTH SEABURY ADDITION, FARIBAULT, RICE COUNTY, MINNESOTA;

(2) ALL OF BLOCK 4, AUDITOR'S PLAT NO. 1 OF THE SW1/4 OF SECTION 32, TOWNSHIP 110 NORTH, RANGE 20 WEST OF THE 5TH P.M., FARIBAULT, RICE COUNTY, MINNESOTA, EXCEPTING THEREFROM THAT PART OF SAID BLOCK 4 DESCRIBED AS FOLLOWS: BEGINNING AT A POINT IN THE NORTH LINE OF SAID BLOCK 4, A DISTANCE OF 179.00 FEET WESTERLY FROM THE NORTHEAST CORNER OF SAID BLOCK 4, THENCE SOUTHERLY, PARALLEL WITH THE EAST LINE OF SAID BLOCK 4, A DISTANCE OF 225.00 FEET; THENCE WESTERLY, PARALLEL WITH SAID NORTH LINE OF BLOCK 4, A DISTANCE OF 154.00 FEET; THENCE NORTHERLY, PARALLEL WITH SAID EAST LINE, 75.00 FEET; THENCE WESTERLY, PARALLEL WITH SAID NORTH LINE, 36.00 FEET; THENCE NORTHERLY, PARALLEL WITH SAID EAST LINE, 150.00 FEET TO A POINT IN SAID NORTH LINE; THENCE EASTERLY ALONG SAID NORTH LINE, 190.00 FEET TO SAID POINT OF BEGINNING;

(3) LOT THREE (3), NORTH SEABURY ADDITION, FARIBAULT, RICE COUNTY, MINNESOTA;

(4) LOT 5, NORTH SEABURY ADDITION, FARIBAULT, MINNESOTA, ACCORDING TO THE PLAT THEREOF ON FILE AND OF RECORD IN THE REGISTER OF DEEDS FOR RICE COUNTY, MINNESOTA;

(5) LOT 7, 8, 9, 10, AND THE EAST 82.4 FEET OF LOT 11, ALL IN NORTH SEABURY ADDITION, FARIBAULT, RICE COUNTY, MINNESOTA, AND THE EAST 82.4 FEET OF ALL OF LOTS 7 AND 8, BLOCK 1, FARIBAULT'S ADDITION TO FARIBAULT, WHICH LIES NORTH AND WEST OF A LINE DRAWN FROM THE SOUTHWEST CORNER OF SAID BLOCK 1, NORTHEASTERLY TO THE NORTHEAST CORNER OF SAID LOT 7, OF BLOCK 1;

(6) LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, THE SOUTH 10 FEET OF LOT 18, THE WEST FIVE FEET OF LOT 32 AND LOT 23, EXCEPT THE EAST 141.22 FEET, ALL IN BLOCK 6, AUDITOR'S PLAT NO. 1, SW1/4 OF SECTION 32, TOWNSHIP 110 NORTH, RANGE 20 WEST OF THE 5TH PRINCIPAL MERIDIAN, FARIBAULT, RICE COUNTY, MINNESOTA;

(7) UNIT 2, CONDOMINIUM NUMBER 8, JOHNSTON HALL CONDOMINIUM, FARIBAULT, RICE COUNTY, MINNESOTA;

(8) UNIT 1, CONDOMINIUM NUMBER 8, JOHNSTON HALL CONDOMINIUM, FARIBAULT, RICE COUNTY, MINNESOTA; AND

(9) COMMON ELEMENTS, CONDOMINIUM NUMBER 8, JOHNSTON HALL CONDOMINIUM, FARIBAULT, RICE COUNTY, MINNESOTA.

(c) Upon determination by the District One Hospital Board that all sale requirements have been met, and sufficient funds exist to pay all outstanding principal and interest on any bonds issued prior to and in conjunction with the sale, each statutory or home rule charter city and town located within the hospital district must file a petition with the hospital board for dissolution under Minnesota Statutes, section 447.38.

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

Sec. 2. **REPEALER.**

Laws 1961, chapter 372, sections 1; and 2; Laws 1963, chapter 118, sections 1, as amended by Laws 1996, chapter 471, article 8, section 19; 2, as amended by Laws 1996, chapter 471, article 8, section 20; 3; 4, as amended by Laws 1996, chapter 471, article 8, section 21; 5; 6, as amended by Laws 1996, chapter 471, article 8, section 22; 7; 8; 9; and 10; and Laws 1996, chapter 471, article 8, sections 19; 20; 21; and 22, are repealed.

EFFECTIVE DATE. This section is effective upon the statutory and home rule charter cities located within the hospital district filing a petition with the hospital board for dissolution under Minnesota Statutes, section 447.38."

Amend the title as follows:

Page 1, line 2, delete "Rice County" and insert "District One Hospital"

Page 1, line 3, delete "requiring" and insert "providing for"

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Simon from the Committee on Elections to which was referred:

H. F. No. 2876, A bill for an act relating to campaign finance; requiring disclosure of campaign contributions from lobbyists, principals, and political committees in any amount; amending Minnesota Statutes 2012, section 10A.04, subdivisions 4, 6; Minnesota Statutes 2013 Supplement, section 10A.20, subdivisions 3, 5.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2012, section 10A.04, subdivision 4, is amended to read:

Subd. 4. **Content.** (a) A report under this section must include information the board requires from the registration form and the information required by this subdivision for the reporting period.

(b) A lobbyist must report the lobbyist's total disbursements on lobbying, separately listing lobbying to influence legislative action, lobbying to influence administrative action, and lobbying to influence the official actions of a metropolitan governmental unit, and a breakdown of disbursements for each of those kinds of lobbying into categories specified by the board, including but not limited to the cost of publication and distribution of each publication used in lobbying; other printing; media, including the cost of production; postage; travel; fees, including allowances; entertainment; telephone and telegraph; and other expenses.

(c) A lobbyist must report the amount and nature of each gift, item, or benefit, excluding contributions to a candidate, equal in value to \$5 or more, given or paid to any official, as defined in section 10A.071, subdivision 1, by the lobbyist or an employer or employee of the lobbyist. The list must include the name and address of each official to whom the gift, item, or benefit was given or paid and the date it was given or paid.

(d) A lobbyist must report each original source of money in excess of \$500 in any year used for the purpose of lobbying to influence legislative action, administrative action, or the official action of a metropolitan governmental unit. The list must include the name, address, and employer, or, if self-employed, the occupation and principal place of business, of each payer of money in excess of \$500.

(e) On the report due June 15, the lobbyist must provide a general description of the subjects lobbied in the previous 12 months.

(f) A lobbyist must report the date and amount of a contribution in any amount made to each candidate, principal campaign committee, or party unit. The list must include the name and address of each candidate, principal campaign committee, or party unit to whom the contribution was made.

Sec. 2. Minnesota Statutes 2013 Supplement, section 10A.20, subdivision 3, is amended to read:

Subd. 3. **Contents of report.** (a) The report required by this section must include each of the items listed in paragraphs (b) to ~~(p)~~ (p) that are applicable to the filer. The board shall prescribe forms based on filer type indicating which of those items must be included on the filer's report.

(b) The report must disclose the amount of liquid assets on hand at the beginning of the reporting period.

(c) The report must disclose the name, address, and employer, or occupation if self-employed, of each individual or association that has made one or more contributions to the reporting entity, including the purchase of tickets for a fund-raising effort, that in aggregate within the year exceed \$200 for legislative or statewide candidates or more than \$500 for ballot questions, together with the amount and date of each contribution, and the aggregate amount of contributions within the year from each source so disclosed. A donation in kind must be disclosed at its fair market value. An approved expenditure must be listed as a donation in kind. A donation in kind is considered consumed in the reporting period in which it is received. The names of contributors must be listed in alphabetical order. Contributions from the same contributor must be listed under the same name. When a contribution received from a contributor in a reporting period is added to previously reported unitemized contributions from the same contributor and the aggregate exceeds the disclosure threshold of this paragraph, the name, address, and employer, or occupation if self-employed, of the contributor must then be listed on the report.

(d) The report must disclose the sum of contributions to the reporting entity during the reporting period.

(e) The report must disclose each loan made or received by the reporting entity within the year in aggregate in excess of \$200, continuously reported until repaid or forgiven, together with the name, address, occupation, and principal place of business, if any, of the lender and any endorser and the date and amount of the loan. If a loan made to the principal campaign committee of a candidate is forgiven or is repaid by an entity other than that principal campaign committee, it must be reported as a contribution for the year in which the loan was made.

(f) The report must disclose each receipt over \$200 during the reporting period not otherwise listed under paragraphs (c) to (e).

(g) The report must disclose the sum of all receipts of the reporting entity during the reporting period.

(h) The report must disclose the name and address of each individual or association to whom aggregate expenditures, approved expenditures, independent expenditures, and ballot question expenditures have been made by or on behalf of the reporting entity within the year in excess of \$200, together with the amount, date, and purpose of each expenditure and the name and address of, and office sought by, each candidate on whose behalf the expenditure was made, identification of the ballot question that the expenditure was intended to promote or defeat and an indication of whether the expenditure was to promote or to defeat the ballot question, and in the case of independent expenditures made in opposition to a candidate, the candidate's name, address, and office sought. A reporting entity making an expenditure on behalf of more than one candidate for state or legislative office must allocate the expenditure among the candidates on a reasonable cost basis and report the allocation for each candidate.

(i) The report must disclose the sum of all expenditures made by or on behalf of the reporting entity during the reporting period.

(j) The report must disclose the amount and nature of an advance of credit incurred by the reporting entity, continuously reported until paid or forgiven. If an advance of credit incurred by the principal campaign committee of a candidate is forgiven by the creditor or paid by an entity other than that principal campaign committee, it must be reported as a donation in kind for the year in which the advance of credit was made.

(k) The report must disclose the name and address of each political committee, political fund, principal campaign committee, or party unit to which contributions have been made ~~that aggregate in excess of \$200 within the year~~ and the amount and date of each contribution.

(l) The report must disclose the sum of all contributions made by the reporting entity during the reporting period.

(m) The report must disclose the name and address of each individual or association to whom noncampaign disbursements have been made that aggregate in excess of \$200 within the year by or on behalf of the reporting entity and the amount, date, and purpose of each noncampaign disbursement.

(n) The report must disclose the sum of all noncampaign disbursements made within the year by or on behalf of the reporting entity.

(o) The report must disclose the name and address of a nonprofit corporation that provides administrative assistance to a political committee or political fund as authorized by section 211B.15, subdivision 17, the type of administrative assistance provided, and the aggregate fair market value of each type of assistance provided to the political committee or political fund during the reporting period.

(p) Notwithstanding any dollar limits in this subdivision, a candidate, principal campaign committee, or party unit must report the date and amount of a contribution in any amount received from a lobbyist, political committee, or political fund. The list must include the name and address of each lobbyist, political committee, or political fund.

Sec. 3. Minnesota Statutes 2013 Supplement, section 10A.20, subdivision 5, is amended to read:

Subd. 5. **Pre-election reports.** (a) Any loan, contribution, or contributions:

(1) to a political committee or political fund from any one source totaling more than \$1,000;

(2) to the principal campaign committee of a candidate for an appellate court judicial office totaling more than \$2,000;

(3) to the principal campaign committee of a candidate for district court judge totaling more than \$400; ~~or~~

(4) to the principal campaign committee of a candidate for constitutional office or for the legislature totaling more than 50 percent of the election cycle contribution limit for the office; or

(5) received from a lobbyist, political committee, or political fund in any amount, notwithstanding any dollar limit in this subdivision,

received between the last day covered in the last report before an election and the election must be reported to the board in the manner provided in paragraph (b).

(b) A loan, contribution, or contributions required to be reported to the board under paragraph (a) must be reported to the board either:

(1) in person by the end of the next business day after its receipt; or

(2) by electronic means sent within 24 hours after its receipt.

(c) These loans and contributions must also be reported in the next required report.

(d) This notice requirement does not apply in a primary election to a candidate who is unopposed in the primary, in a primary election to a ballot question political committee or fund, or in a general election to a candidate whose name is not on the general election ballot. The board must post the report on its Web site by the end of the next business day after it is received.

(e) This subdivision does not apply to a ballot question or independent expenditure political committee or fund that has not met the registration threshold of section 10A.14, subdivision 1a. However, if a contribution that would be subject to this section triggers the registration requirement in section 10A.14, subdivision 1a, then both registration under that section and reporting under this section are required.

Sec. 4. **EFFECTIVE DATE.**

This act is effective for reports filed on and after July 1, 2014."

Amend the title as follows:

Page 1, line 2, delete the second "campaign"

Page 1, line 3, delete "principals" and insert "political funds"

Correct the title numbers accordingly

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Erhardt from the Committee on Transportation Policy to which was referred:

H. F. No. 2881, A bill for an act relating to transportation; railroads; amending regulation of motor carriers of railroad employees; imposing penalties; amending Minnesota Statutes 2012, sections 169.781, subdivision 2; 221.0255.

Reported the same back with the following amendments:

Page 3, line 17, reinstate the stricken "\$1,000,000" and delete "\$5,000,000"

Page 6, delete lines 7 to 12

Page 6, line 13, delete ", and applies to" and insert a period

Page 6, delete line 14

With the recommendation that when so amended the bill be re-referred to the Committee on Transportation Finance.

The report was adopted.

Poppe from the Committee on Agriculture Policy to which was referred:

H. F. No. 2908, A bill for an act relating to claims; providing compensation for bee deaths caused by pesticide poisoning under certain circumstances; establishing a pollinator emergency response team; providing civil liability for bee deaths; appropriating money; amending Minnesota Statutes 2012, section 18B.05; proposing coding for new law in Minnesota Statutes, chapters 3; 17; 604.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2012, section 18B.01, is amended by adding a subdivision to read:

Subd. 2a. **Bee.** "Bee" means any stage of the common honeybee, *Apis mellifera* (L).

Sec. 2. Minnesota Statutes 2012, section 18B.01, is amended by adding a subdivision to read:

Subd. 2b. **Bee owner.** "Bee owner" means a person who owns an apiary.

Sec. 3. Minnesota Statutes 2012, section 18B.01, is amended by adding a subdivision to read:

Subd. 4c. **Colony.** "Colony" means the aggregate of worker bees, drones, the queen, and developing young bees living together as a family unit in a hive or other dwelling.

Sec. 4. Minnesota Statutes 2012, section 18B.01, is amended by adding a subdivision to read:

Subd. 11a. **Hive.** "Hive" means a frame hive, box hive, box, barrel, log gum, skep, or any other receptacle or container, natural or artificial, or any part of one, which is used as domicile for bees.

Sec. 5. Minnesota Statutes 2012, section 18B.01, is amended by adding a subdivision to read:

Subd. 20a. **Pollinator.** "Pollinator" means an insect that pollinates flowers.

Sec. 6. Minnesota Statutes 2012, section 18B.03, is amended by adding a subdivision to read:

Subd. 4. **Pollinators.** The commissioner may take enforcement action under chapter 18D for a violation of this chapter, or any rule adopted under this chapter, that results in harm to pollinators, including but not limited to applying a product in a manner inconsistent with the product's label or labeling and resulting in pollinator death or willfully applying pesticide in a manner inconsistent with the product label or labeling. The commissioner must deposit any penalty collected under this subdivision in the pesticide regulatory account in section 18B.05.

Sec. 7. Minnesota Statutes 2012, section 18B.04, is amended to read:

18B.04 PESTICIDE IMPACT ON ENVIRONMENT.

(a) The commissioner shall:

(1) determine the impact of pesticides on the environment, including the impacts on surface water and groundwater in this state;

(2) develop best management practices involving pesticide distribution, storage, handling, use, and disposal; and

(3) cooperate with and assist other state agencies and local governments to protect public health, pollinators, and the environment from harmful exposure to pesticides.

(b) The commissioner may assemble a pollinator emergency response team of experts under section 16C.10, subdivision 2, to consult in the investigation of pollinator deaths or illnesses. The pollinator emergency response team may include representatives from local, state, and federal agencies; academia; or other professionals as deemed necessary by the commissioner.

Sec. 8. **[18B.055] COMPENSATION FOR BEES KILLED BY PESTICIDE; APPROPRIATION.**

Subdivision 1. **Compensation required.** (a) The commissioner of agriculture must compensate a person for an acute pesticide poisoning resulting in the death of bees owned by the person, provided:

(1) the person who applied the pesticide cannot be determined;

(2) the person who applied the pesticide did so in a manner consistent with the pesticide product's label or labeling; or

(3) the person who applied the pesticide did so in a manner inconsistent with the pesticide product's label or labeling.

(b) Except as provided in this section, the bee owner is entitled to the fair market value of the dead bees as determined by the commissioner upon recommendation by academic experts and beekeepers. In any fiscal year, a bee owner must not be compensated for a claim that is less than \$100 or compensated more than \$20,000 for all eligible claims.

Subd. 2. **Applicator responsible.** In the event a person applies a pesticide in a manner inconsistent with the pesticide label or labeling requirements as approved by the commissioner and is determined to have caused the acute pesticide poisoning resulting in the death of bees that are kept for commercial purposes, then the person so identified shall bear the responsibility of restitution for the value of the bees to the owner. In such cases the commissioner shall not provide compensation as provided in this section.

Subd. 3. **Claim form.** The bee owner must file a claim on forms provided by the commissioner and available on the Department of Agriculture's Web site.

Subd. 4. **Determination.** The commissioner must determine whether the death of the bees was caused by an acute pesticide poisoning, whether the pesticide applicator can be determined, and whether the pesticide applicator applied the pesticide product in a manner consistent with the pesticide product's label or labeling.

Subd. 5. **Payments; denial of compensation.** (a) If the commissioner determines the bee death was caused by an acute pesticide poisoning and either the pesticide applicator cannot be determined or the pesticide applicator applied the pesticide product in a manner consistent with the pesticide product's label or labeling, the commissioner may award compensation from the pesticide regulatory account. If the pesticide applicator can be determined and the applicator applied the pesticide product in a manner inconsistent with the product's label or labeling, the commissioner may collect a penalty from the pesticide applicator sufficient to compensate the bee owner for the fair market value of the dead bees and must award the money to the bee owner.

(b) If the commissioner denies compensation claimed by a bee owner under this section, the commissioner must issue a written decision based upon the available evidence. The decision must include specification of the facts upon which the decision is based and the conclusions on the material issues of the claim. A copy of the decision must be mailed to the owner.

(c) A decision to deny compensation claimed under this section is not subject to the contested case review procedures of chapter 14, but may be reviewed upon a trial de novo in a court in the county where the loss occurred. The decision of the court may be appealed as in other civil cases. Review in court may be obtained by filing a petition for review with the administrator of the court within 60 days following receipt of a decision under this section. Upon the filing of a petition, the administrator must mail a copy to the commissioner and set a time for hearing within 90 days of the filing.

Subd. 6. **Deduction from payment.** In order to be eligible for compensation under this section, a bee owner must document that at the time of the loss the bee owner had insurance sufficient to cover up to 50 percent of the total value of the owner's colony. The commissioner must reduce payments made under this section by any compensation received by the bee owner as proceeds from an insurance policy or from another source.

Subd. 7. **Appropriation.** The amount necessary to pay claims under this section, not to exceed \$150,000 per fiscal year, is appropriated from the pesticide regulatory account in section 18B.05.

Sec. 9. **[19.70] DEFINITIONS.**

Subdivision 1. **Scope.** For the purposes of this chapter, the terms defined in this section have the meanings given.

Subd. 2. **Apiary.** "Apiary" means a place where a collection of one or more hives or colonies of bees or the nuclei of bees is kept.

Subd. 3. **Abandoned apiary.** "Abandoned apiary" means any apiary not regularly attended in accordance with good beekeeping practices and which constitutes a disease or parasite hazard to the beekeeping industry.

Subd. 4. **Africanized honeybees.** "Africanized honeybees" means Africanized honeybees using United States Department of Agriculture standards.

Subd. 5. **Bee diseases.** "Bee diseases" means infectious, contagious, or harmful diseases including but not limited to: American or European foulbrood; sacbrood; chalkbrood; Nosema; bee paralysis; or abnormal condition of egg, larval, pupal, or adult stages of bees.

Subd. 6. **Bee equipment.** "Bee equipment" means hives, supers, frames, veils, gloves, and any apparatus, tool, machine, vehicle, or other device used in the handling, moving, or manipulating of bees, honey, wax, or hives, including containers of honey or wax which may be used in an apiary or in transporting bees and their products and apiary supplies.

Subd. 7. **Beekeeper.** "Beekeeper" means a person who keeps bees.

Subd. 8. **Beekeeping.** "Beekeeping" means the moving, raising, and producing of bees, beeswax, honey, related products, and pollination.

Subd. 9. **Colony.** "Colony" means the aggregate of worker bees, drones, the queen, and developing young bees living together as a family unit in a hive or other dwelling.

Subd. 10. **Commissioner.** "Commissioner" means the commissioner of agriculture or the commissioner's authorized agents.

Subd. 11. **Department.** "Department" means the Department of Agriculture.

Subd. 12. **Exotic parasite.** "Exotic parasite" means any parasite harmful to bees including but not limited to: Varroa jacobsoni, Tropilaelaps clareae, or Acarapis woodi.

Sec. 10. Minnesota Statutes 2012, section 85A.02, subdivision 2, is amended to read:

Subd. 2. **Zoological Garden.** The board shall acquire, construct, equip, operate and maintain the Minnesota Zoological Garden at a site in Dakota County legally described in Laws 1975, chapter 382, section 12. The Zoological Garden shall consist of adequate facilities and structures for the collection, habitation, preservation, care, exhibition, examination or study of wild and domestic animals, including, but not limited to mammals, birds, fish, amphibians, reptiles, crustaceans and mollusks. The board may provide such lands, buildings and equipment as it deems necessary for parking, transportation, entertainment, education or instruction of the public in connection with such Zoological Garden. The Zoological Garden is the official pollinator bank for the state of Minnesota. For purposes of this subdivision, "pollinator bank" means a program to avert the extinction of pollinator species by cultivating insurance breeding populations.

Sec. 11. **BEE VALUATION PROTOCOL REQUIRED.**

No later than January 1, 2015, the commissioner must report to the house of representatives and senate committees with jurisdiction over agriculture finance the protocol that the commissioner developed, in consultation with experts, for determining the fair market value of bees, hives, colonies, apiaries, and queen apiaries for purposes of compensation under Minnesota Statutes, section 18B.055.

Sec. 12. **APPROPRIATION.**

\$100,000 in fiscal year 2015 is appropriated from the general fund to the commissioner of agriculture to compensate the pollinator emergency response team authorized in Minnesota Statutes, section 18B.04."

Amend the title as follows:

Page 1, line 4, delete "providing civil liability for bee deaths;"

Correct the title numbers accordingly

With the recommendation that when so amended the bill be re-referred to the Committee on Environment, Natural Resources and Agriculture Finance.

The report was adopted.

Nelson from the Committee on Government Operations to which was referred:

H. F. No. 2956, A bill for an act relating to transportation; providing for free transit service on certain election days; appropriating money; amending Minnesota Statutes 2012, sections 174.24, by adding a subdivision; 473.408, by adding a subdivision.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Transportation Finance.

The report was adopted.

Mahoney from the Committee on Jobs and Economic Development Finance and Policy to which was referred:

H. F. No. 3014, A bill for an act relating to labor; creating the Public Employment Relations Board; authorizing rulemaking; appropriating money; amending Minnesota Statutes 2012, sections 179A.03, by adding a subdivision; 179A.04, subdivision 3; 179A.051; 179A.06, by adding a subdivision; 179A.10, subdivision 1; 179A.13; proposing coding for new law in Minnesota Statutes, chapter 179A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2012, section 179A.03, is amended by adding a subdivision to read:

Subd. 2a. **Board.** "Board" means the Public Employment Relations Board under section 179A.041.

Sec. 2. Minnesota Statutes 2012, section 179A.04, subdivision 3, is amended to read:

Subd. 3. **Other duties.** (a) The commissioner shall:

(1) provide mediation services as requested by the parties until the parties reach agreement, and may continue to assist parties after they have submitted their final positions for interest arbitration;

(2) issue notices, subpoenas, and orders required by law to carry out duties under sections 179A.01 to 179A.25;

(3) assist the parties in formulating petitions, notices, and other papers required to be filed with the commissioner or the board;

(4) conduct elections;

(5) certify the final results of any election or other voting procedure conducted under sections 179A.01 to 179A.25;

(6) adopt rules relating to the administration of this chapter and the conduct of hearings and elections;

(7) receive, catalogue, file, and make available to the public all decisions of arbitrators and panels authorized by sections 179A.01 to 179A.25, all grievance arbitration decisions to the extent the decision is public under section 13.43, subdivision 2, paragraph (b), and the commissioner's orders and decisions;

(8) adopt, subject to chapter 14, a grievance procedure that fulfills the purposes of section 179A.20, subdivision 4, that is available to any employee in a unit not covered by a contractual grievance procedure;

(9) maintain a schedule of state employee classifications or positions assigned to each unit established in section 179A.10, subdivision 2;

(10) collect fees established by rule for empanelment of persons on the labor arbitrator roster maintained by the commissioner or in conjunction with fair share fee challenges. Arbitrator application fees will be \$100 per year for initial applications and renewals effective July 1, 2007;

(11) provide technical support and assistance to voluntary joint labor-management committees established for the purpose of improving relationships between exclusive representatives and employers, at the discretion of the commissioner;

(12) provide to the parties a list of arbitrators as required by section 179A.16, subdivision 4; ~~and~~

(13) maintain a list of up to 60 arbitrators for referral to employers and exclusive representatives for the resolution of grievance or interest disputes. Each person on the list must be knowledgeable about collective bargaining and labor relations in the public sector, well versed in state and federal labor law, and experienced in and knowledgeable about labor arbitration. To the extent practicable, the commissioner shall appoint members to the list so that the list is gender and racially diverse; and

(14) upon request of the board, provide administrative support and other assistance to the board, including assistance in development and adoption of board rules.

(b) From the names provided by representative organizations, the commissioner shall maintain a list of arbitrators to conduct teacher discharge or termination hearings according to section 122A.40 or 122A.41. The persons on the list must meet at least one of the following requirements:

(1) be a former or retired judge;

(2) be a qualified arbitrator on the list maintained by the bureau;

(3) be a present, former, or retired administrative law judge; or

(4) be a neutral individual who is learned in the law and admitted to practice in Minnesota, who is qualified by experience to conduct these hearings, and who is without bias to either party.

Each year, education Minnesota shall provide a list of up to 14 names and the Minnesota School Boards Association a list of up to 14 names of persons to be on the list. The commissioner may adopt rules about maintaining and updating the list.

Sec. 3. **[179A.041] PUBLIC EMPLOYMENT RELATIONS BOARD; POWER, AUTHORITY, AND DUTIES.**

Subdivision 1. **Membership.** The Public Employment Relations Board is established with three members. One member shall be an officer or employee of an exclusive representative of public employees and shall be appointed by the governor; one shall be representative of public employers and shall be appointed by the governor; and one shall be representative of the public at large and shall be appointed by the other two members. Public employers and employee organizations representing public employees may submit for consideration names of persons representing their interests. The board shall select one of its members to serve as chair for a term beginning July 1 of each year.

Subd. 2. **Alternate members.** (a) The appointing authorities shall appoint alternate members to serve only in the case of a member having a conflict of interest under subdivision 8, as follows:

(1) one alternate, appointed by the governor, who is an officer or employee of an exclusive representative of public employees, to serve as an alternate to the member appointed by the governor who is an officer or employee of an exclusive representative of public employees. This alternate must not be an officer or employee of the same exclusive representative of public employees as the member for whom the alternate serves;

(2) one alternate, appointed by the governor, who is a representative of public employers, to serve as an alternate to the member appointed by the governor who is a representative of public employers. This alternate must not represent the same public employer as the member for whom the alternate serves; and

(3) one alternate, appointed by the member who is an officer or employee of an exclusive representative of public employees and the member who is a representative of public employers, who is not an officer or employee of an exclusive representative of public employees, or a representative of a public employer, to serve as an alternate for the member that represents the public at large.

(b) Each alternate member shall serve a term that is coterminous with the term of the member for whom the alternate member serves as an alternate.

Subd. 3. **Terms; compensation.** The membership terms, compensation, removal of members, and filling of vacancies for members and alternate members shall be as provided in section 15.0575.

Subd. 4. **Rules; meetings.** The board shall adopt rules governing its procedure and shall hold meetings as prescribed in those rules. The chair shall preside at meetings of the board.

Subd. 5. **Appeals.** In addition to the other powers and duties given it by law, the board shall hear and decide appeals from:

(1) recommended decisions and orders relating to an unfair labor practice under section 179A.13; and

(2) determinations of the commissioner under section 179A.12, subdivision 11.

Subd. 6. **Rulemaking.** The board shall adopt rules under chapter 14 governing the presentation of issues and the taking of appeals under subdivision 5. All issues and appeals presented to the board shall be determined upon the record of hearing, except that the board may request additional evidence when necessary or helpful.

Subd. 7. **Employees and contracts.** The board may hire investigators, hearing officers, and other employees as necessary to perform its duties, or may enter into contracts to perform any of the board's duties.

Subd. 8. **Conflict of interest.** A member must disclose any conflict of interest in a case before the board and shall not take any action or vote in the case. The person designated as the recused member's alternate shall serve in place of the member who has a conflict for all actions and votes on the case, unless the alternate has a conflict of interest. If both a member and the member's alternate have a conflict of interest in a case, the appointing authority will appoint a second alternate member, who meets the same requirements as the alternate member and who has no conflict of interest, to take action and vote in the case. A board member or alternate member has a conflict of interest in a case if the member is employed by, an officer of, a member of the governing body of, or a member of a party in the case.

EFFECTIVE DATE. This section is effective July 1, 2014. The board shall be established and prepared to hear and decide rules under Minnesota Statutes, section 179A.041, subdivision 4, by July 1, 2015.

Sec. 4. Minnesota Statutes 2012, section 179A.051, is amended to read:

179A.051 APPEALS OF COMMISSIONER'S DECISIONS.

(a) Decisions of the commissioner relating to supervisory, confidential, essential, and professional employees, appropriateness of a unit, or fair share fee challenges may be reviewed on certiorari by the Court of Appeals. A petition for a writ of certiorari must be filed and served on the other party or parties and the commissioner within 30 days from the date of the mailing of the commissioner's decision. The petition must be served on the other party or parties at the party's or parties' last known address.

(b) Decisions of the commissioner relating to unfair labor practices under section 179A.12, subdivision 11, may be appealed to the board if the appeal is filed with the board and served on all other parties no later than 30 days after service of the commissioner's decision.

Sec. 5. **[179A.052] APPEALS OF BOARD'S DECISIONS.**

Decisions of the board relating to unfair labor practices under section 179A.12, subdivision 11, or 179A.13, including dismissal of unfair labor practice charges, may be reviewed on certiorari by the Court of Appeals. A petition for a writ of certiorari must be filed and served on the other party or parties and the board within 30 days from the date of the mailing of the board's decision. The petition must be served on the other party or parties at the party's or parties' last known address.

Sec. 6. Minnesota Statutes 2012, section 179A.06, is amended by adding a subdivision to read:

Subd. 7. **Concerted activity.** Public employees have the right to engage in concerted activities for the purpose of collective bargaining or other mutual aid or protection.

Sec. 7. Minnesota Statutes 2012, section 179A.10, subdivision 1, is amended to read:

Subdivision 1. **Exclusions.** The commissioner of management and budget shall meet and negotiate with the exclusive representative of each of the units specified in this section, except as provided in section 43A.06, subdivision 1, paragraph (c). The units provided in this section are the only appropriate units for executive branch state employees. The following employees shall be excluded from any appropriate unit:

(1) the positions and classes of positions in the classified and unclassified services defined as managerial by the commissioner of management and budget in accordance with section 43A.18, subdivision 3, and so designated in the official state compensation schedules;

(2) unclassified positions in the Minnesota State Colleges and Universities defined as managerial by the Board of Trustees;

(3) positions of physician employees compensated under section 43A.17, subdivision 4;

(4) positions of all unclassified employees appointed by a constitutional officer;

(5) positions in the Bureau of Mediation Services and the Public Employment Relations Board;

(6) positions of employees whose classification is pilot or chief pilot;

(7) administrative law judge and compensation judge positions in the Office of Administrative Hearings; and

(8) positions of all confidential employees.

The governor may upon the unanimous written request of exclusive representatives of units and the commissioner direct that negotiations be conducted for one or more units in a common proceeding or that supplemental negotiations be conducted for portions of a unit or units defined on the basis of appointing authority or geography.

Sec. 8. Minnesota Statutes 2012, section 179A.13, is amended to read:

179A.13 UNFAIR LABOR PRACTICES.

Subdivision 1. **Actions.** (a) The practices specified in this section are unfair labor practices. Any employee, employer, employee or employer organization, exclusive representative, or any other person or organization aggrieved by an unfair labor practice as defined in this section may bring an action for injunctive relief and for damages caused by the unfair labor practice in the district court of the county in which the practice is alleged to have occurred. A copy of any complaint alleging an unfair labor practice must be filed with the commissioner at the time it is brought in district court. The party bringing an unfair labor practice action in district court shall also transmit to the commissioner any orders or judgments of the court within ten days of the order or judgment file an unfair labor practice charge with the board.

(b) Whenever it is charged that any party has engaged in or is engaging in any unfair labor practice, an investigator designated by the board shall promptly conduct an investigation of the charge. If after the investigation the board finds that the charge involves a material issue of law or fact, the board shall promptly issue a complaint and cause to be served upon the party a complaint stating the charges, accompanied by a notice of hearing before a qualified hearing officer designated by the board at the offices of the bureau or other location as the board deems appropriate, not less than five days nor more than 20 days after serving the complaint, provided that no complaint shall be issued based upon any unfair labor practice occurring more than six months prior to the filing of a charge. A complaint issued under this subdivision may be amended by the board at any time prior to the issuance of an order based thereon. The party who is the subject of the complaint has the right to file an answer to the original or amended complaint prior to hearing and to appear in person or by a representative and give testimony at the place and time fixed in the complaint. In the discretion of the hearing officer conducting the hearing or the board, any other party may be allowed to intervene in the proceeding and to present testimony. The board or designated hearing officers shall not be bound by the rules of evidence applicable to courts, except as to the rules of privilege recognized by law.

(c) Designated investigators must conduct the investigation of charges.

(d) Hearing officers must conduct the hearings and issue recommended decisions and orders.

(e) The board or its designees shall have the power to issue subpoenas and administer oaths. If any party willfully fails or neglects to appear or testify or to produce books, papers, and records pursuant to the issuance of a subpoena, the board may apply to a court of competent jurisdiction to request that the party be ordered to appear to testify or produce the requested evidence.

(f) A full and complete record shall be kept of all proceedings before the board or designated hearing officer and shall be transcribed by a reporter appointed by the board.

(g) The party on whom the burden of proof rests shall be required to sustain the burden by a preponderance of the evidence.

(h) At any time prior to the close of a hearing, the parties may by mutual agreement request referral to mediation, at which time the commissioner shall appoint a mediator, and the hearing shall be suspended pending the results of the mediation.

(i) If, upon a preponderance of the evidence taken, the hearing officer determines that any party named in the charge has engaged in or is engaging in an unfair labor practice, then a recommended decision and order shall be issued stating findings of fact and conclusions, and requiring the party to cease and desist from the unfair labor practice, to post a cease-and-desist notice in the workplace, and to take action to effectuate the policies of this

section, including reinstatement of public employees with back pay and compensatory damages up to three times the amount of actual damages. If back pay is awarded, the award must include interest at the rate of seven percent per annum. The order further may require the party to make reports from time to time, and demonstrate the extent to which the party has complied with the order.

(j) If there is no preponderance of evidence that the party named in the charge has engaged in or is engaging in the unfair labor practice, then the hearing officer shall issue a recommended decision and order stating findings of fact and dismissing the complaint.

(k) Parties may file exceptions to the hearing officer's recommended decision and order with the board no later than 30 days after service of the recommended decision and order. The board shall review the recommended decision and order upon timely filing of exceptions or upon its own motion. If no timely exceptions have been filed, the parties must be deemed to have waived their exceptions. Unless the board reviews the recommended decision and order upon its own motion, it must not be legal precedent and must be final and binding only on the parties to the proceeding as issued in an order issued by the board. If the board does review the recommended decision and order, the board may adopt all, part, or none of the recommended decision and order, depending on the extent to which it is consistent with the record and applicable laws. The board shall issue and serve on all parties its decision and order. The board shall retain jurisdiction over the case to ensure the parties' compliance with the board's order. Unless overturned by the board, the parties must comply with the recommended decision and order.

(l) Until the record has been filed in the Court of Appeals or district court, the board at any time, upon reasonable notice and in a manner it deems appropriate, may modify or set aside, in whole or in part, any finding or order made or issued by it.

(m) Upon a final order that an unfair labor practice has been committed, the board or the charging party may petition the district court for the enforcement of the order and for appropriate temporary relief or restraining order. When the board petitions the court, the charging party may intervene as a matter of right.

(n) Whenever it appears that any party has violated a final order of the board issued pursuant to this section, the board must petition the district court for an order directing the party, its officers, agents, servants, successors, and assigns to comply with the order of the board. The board shall be represented in this action by its general counsel, who has been appointed by the board. The court may grant or refuse, in whole or in part, the relief sought, provided that the court also may stay an order of the board pending disposition of the proceedings. The court may punish a violation of its order as in civil contempt.

(o) The board shall have power, upon issuance of an unfair labor practice complaint alleging that a party has engaged in or is engaging in an unfair labor practice, to petition the district court for appropriate temporary relief or restraining order. Upon the filing of any such petition, the court shall cause notice thereof to be served upon such parties, and thereupon shall have jurisdiction to grant to the board or commissioner temporary relief or a restraining order as it deems appropriate. Nothing in this paragraph precludes a charging party from seeking injunctive relief in district court after filing the unfair labor practice charge.

(p) The proceedings in paragraphs (m), (n), and (o) shall be commenced in the district court for the county in which the unfair labor practice which is the subject of the order or administrative complaint was committed, or where a party alleged to have committed the unfair labor practice resides or transacts business.

(q) The board shall not defer to any grievance and arbitration procedure or other legal process in investigating or deciding any unfair labor practice case, charge, or claim.

Subd. 2. **Employers.** Public employers, their agents and representatives are prohibited from:

(1) interfering, restraining, or coercing employees in the exercise of the rights guaranteed in sections 179A.01 to 179A.25;

(2) dominating or interfering with the formation, existence, or administration of any employee organization or contributing other support to it;

(3) discriminating in regard to hire or tenure to encourage or discourage membership in an employee organization;

(4) discharging or otherwise discriminating against an employee because the employee has signed or filed an affidavit, petition, or complaint or given information or testimony under sections 179A.01 to 179A.25;

(5) refusing to meet and negotiate in good faith with the exclusive representative of its employees in an appropriate unit;

(6) refusing to comply with grievance procedures contained in an agreement;

(7) distributing or circulating a blacklist of individuals exercising a legal right or of members of a labor organization for the purpose of preventing blacklisted individuals from obtaining or retaining employment;

(8) violating rules established by the commissioner regulating the conduct of representation elections;

(9) refusing to comply with a valid decision of a binding arbitration panel or arbitrator;

(10) violating or refusing to comply with any lawful order or decision issued by the commissioner or the board;

(11) refusing to provide, upon the request of the exclusive representative, all information pertaining to the public employer's budget both present and proposed, revenues, and other financing information provided that in the executive branch of state government this clause may not be considered contrary to the budgetary requirements of sections 16A.10 and 16A.11; or

(12) granting or offering to grant the status of permanent replacement employee to a person for performing bargaining unit work for the employer during a lockout of employees in an employee organization or during a strike authorized by an employee organization that is an exclusive representative.

Subd. 3. **Employees.** Employee organizations, their agents or representatives, and public employees are prohibited from:

(1) restraining or coercing employees in the exercise of rights provided in sections 179A.01 to 179A.25;

(2) restraining or coercing a public employer in the election of representatives to be employed to meet and negotiate or to adjust grievances;

(3) refusing to meet and negotiate in good faith with a public employer, if the employee organization is the exclusive representative of employees in an appropriate unit;

(4) violating rules established by the commissioner regulating the conduct of representation elections;

(5) refusing to comply with a valid decision of an arbitration panel or arbitrator;

(6) calling, instituting, maintaining, or conducting a strike or boycott against any public employer on account of any jurisdictional controversy;

(7) coercing or restraining any person with the effect to:

(i) force or require any public employer to cease dealing or doing business with any other person;

(ii) force or require a public employer to recognize for representation purposes an employee organization not certified by the commissioner;

(iii) refuse to handle goods or perform services; or

(iv) prevent an employee from providing services to the employer;

(8) committing any act designed to damage or actually damaging physical property or endangering the safety of persons while engaging in a strike;

(9) forcing or requiring any employer to assign particular work to employees in a particular employee organization or in a particular trade, craft, or class rather than to employees in another employee organization or in another trade, craft, or class;

(10) causing or attempting to cause a public employer to pay or deliver or agree to pay or deliver any money or other thing of value, in the nature of an exaction, for services which are not performed or not to be performed;

(11) engaging in an unlawful strike;

(12) picketing which has an unlawful purpose such as secondary boycott;

(13) picketing which unreasonably interferes with the ingress and egress to facilities of the public employer;

(14) seizing or occupying or destroying property of the employer;

(15) violating or refusing to comply with any lawful order or decision issued by the commissioner or the board.

Sec. 9. **APPROPRIATION; INITIAL ASSISTANCE.**

(a) \$125,000 in fiscal year 2015 is appropriated from the general fund to the commissioner of the Bureau of Mediation Services for purposes of the Public Employment Relations Board under Minnesota Statutes, section 179A.041. This appropriation is added to the base.

(b) The commissioner of the Bureau of Mediation Services must call the first meeting of the board, and must assist the board in its initial operations, including development and adoption of the board's initial rules.

Sec. 10. **EFFECTIVE DATE.**

Sections 1, 2, and 4 to 8 are effective July 1, 2015. Section 9 is effective July 1, 2014."

With the recommendation that when so amended the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Simon from the Committee on Elections to which was referred:

H. F. No. 3033, A bill for an act relating to campaign finance; modifying certain contribution limits; requiring certain reports to be made available online; amending Minnesota Statutes 2012, sections 211A.02, by adding a subdivision; 211A.12.

Reported the same back with the following amendments:

Page 1, delete section 1 and insert:

"Section 1. Minnesota Statutes 2012, section 211A.02, is amended by adding a subdivision to read:

Subd. 6. **Online accessibility; reports.** (a) The filing officer shall make all reports required to be filed under this section available on the local government's Web site.

(b) The filing officer shall provide the Campaign Finance and Public Disclosure Board with the link to the section of the Web site where reports are made available pursuant to paragraph (a). The Campaign Finance and Public Disclosure Board shall publish on its Web site each link that a filing officer provides pursuant to this paragraph."

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Paymar from the Committee on Public Safety Finance and Policy to which was referred:

H. F. No. 3067, A bill for an act relating to public safety; modifying notice of possession of a firearm in a building in Capitol Area; modifying funding for security services provided by the Department of Public Safety; appropriating money; amending Minnesota Statutes 2012, section 609.66, subdivision 1g; repealing Minnesota Statutes 2012, section 299E.02.

Reported the same back with the following amendments:

Page 2, line 14, delete "Within 30 days of the renewal date of a"

Page 2, delete line 15

Page 2, line 16, delete "to carry a pistol under paragraph (b), clause (5)."

Page 2, line 18, after the period, insert "A person who has a valid permit to carry issued under section 624.714 and who provided notice to the commissioner of public safety under this subdivision prior to the effective date of this act is not required to comply with the notice requirements in this paragraph."

With the recommendation that when so amended the bill be re-referred to the Committee on Transportation Finance.

The report was adopted.

Dill from the Committee on Environment and Natural Resources Policy to which was referred:

H. F. No. 3135, A bill for an act relating to transportation; public safety; environment; providing for railroad and pipeline hazardous materials safety and emergency response preparedness; establishing requirements related to preparedness; amending Minnesota Statutes 2012, sections 115E.01, by adding subdivisions; 115E.08, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 115E.

Reported the same back with the following amendments:

Page 2, line 17, delete "methods for evacuating or isolating the public from the site of a discharge."

Page 2, line 23, delete "meet" and insert "communicate"

Page 3, line 1, delete "one hour" and insert "three hours"

Page 3, line 6, delete "two" and insert "three"

Page 3, line 9, delete everything after "(e)" and insert "A railroad or pipeline company"

Page 3, delete lines 10 and 11

Page 3, line 32, delete "spill or" and delete "incident, or drill"

Page 4, line 2, delete "each year" and insert "every three years"

Page 4, line 5, delete "modify" and insert "submit"

Page 4, line 7, delete "modified plan for approval" and insert "plan"

Page 4, delete lines 9 to 13

Page 4, line 14, delete "(c)" and insert "(b)"

Page 4, delete lines 17 to 19

With the recommendation that when so amended the bill be re-referred to the Committee on Transportation Finance.

The report was adopted.

Erhardt from the Committee on Transportation Policy to which was referred:

H. F. No. 3219, A bill for an act relating to transportation; requiring the Metropolitan Airports Commission to monitor noise to establish a baseline in a certain area; requiring a report.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Dill from the Committee on Environment and Natural Resources Policy to which was referred:

S. F. No. 663, A bill for an act relating to state government; making changes to resource recovery provisions; amending Minnesota Statutes 2012, section 115A.15, subdivisions 2, 9, 10.

Reported the same back with the following amendments:

Page 1, delete section 2 and insert:

"Sec. 2. Minnesota Statutes 2012, section 115A.15, subdivision 9, is amended to read:

Subd. 9. **Recycling goal.** ~~By December 31, 1996, the commissioner~~ Each state agency shall recycle at least 60 percent by weight of the solid waste generated by state its offices and other state operations located in the metropolitan area at a rate in compliance with the metropolitan solid waste management policy plan goals under section 473.149. Each state agency shall recycle at least 60 percent by weight of the solid waste generated by its offices and other operations located outside of the metropolitan area. By March 1 of each year, ~~the commissioner~~ each state agency shall report to the Pollution Control Agency the estimated recycling rates by county for state offices and other state operations in the metropolitan area for the previous calendar year from the previous calendar year. State agencies shall report progress in achieving the recycling goal in the format specified by the Pollution Control Agency. The Pollution Control Agency shall incorporate these figures into the reports submitted by the counties under section 115A.557, subdivision 3, to determine each county's progress toward the goal in section 115A.551, subdivision 2.

~~Each state agency in the metropolitan area shall work to meet the recycling goal individually. If the goal is not met by an agency, the commissioner shall notify that agency that the goal has not been met and the reasons the goal has not been met and shall provide information to the employees in the agency regarding recycling opportunities and expectations.~~ If the recycling goal is not met by a state agency, that agency shall provide information to all employees in the agency regarding recycling opportunities and expectations, and notify the Pollution Control Agency of the action that has been taken to meet the recycling goal."

With the recommendation that when so amended the bill be re-referred to the Committee on Government Operations.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 925, 1872, 1940, 1952, 2720, 2833, 2840, 2876, 3033 and 3219 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Yarusso, Rosenthal, Sawatzky, Hornstein and Selcer introduced:

H. F. No. 3267, A bill for an act relating to transportation; appropriating money for county state-aid highway repairs related to the winter season.

The bill was read for the first time and referred to the Committee on Transportation Finance.

Johnson, C., introduced:

H. F. No. 3268, A bill for an act proposing an amendment to the Minnesota Constitution, article IX, section 1; requiring gubernatorial approval of a law proposing a constitutional amendment before it is submitted to the voters; providing legislative override of governor's veto of law proposing constitutional amendment.

The bill was read for the first time and referred to the Committee on Government Operations.

Kahn introduced:

H. F. No. 3269, A bill for an act relating to state government; forbidding the state from accepting bids or proposals from businesses with permits to pay subminimum wages to workers with disabilities; proposing coding for new law in Minnesota Statutes, chapter 16C.

The bill was read for the first time and referred to the Committee on Government Operations.

Erickson, S.; Scott; Benson, M.; Franson; Gruenhagen; Pugh and Leidiger introduced:

H. F. No. 3270, A bill for an act relating to education; modifying certain school liability provisions; creating a civil cause of action; amending Minnesota Statutes 2012, sections 617.291, subdivision 2; 617.295; 617.296, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education Policy.

Anzels introduced:

H. F. No. 3271, A bill for an act relating to natural resources; modifying a prior appropriation for a shooting sports facility; amending Laws 2008, chapter 363, article 5, section 4, subdivision 7, as amended.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources Policy.

Lenczewski and Davids introduced:

H. F. No. 3272, A bill for an act relating to taxation; sales and use; clarifying payment of refunds for certain biopharmaceutical manufacturing facilities; amending Laws 2013, chapter 143, article 8, section 37.

The bill was read for the first time and referred to the Committee on Taxes.

Paymar; Rosenthal; Simonson; Ward, J.E.; Loeffler; Schoen and Murphy, E., introduced:

H. F. No. 3273, A bill for an act relating to crime victims; appropriating money for sexual violence community prevention networks.

The bill was read for the first time and referred to the Committee on Public Safety Finance and Policy.

Kresha and Abeler introduced:

H. F. No. 3274, A bill for an act relating to health; changing requirements for birth centers; amending Minnesota Statutes 2012, section 144.615.

The bill was read for the first time and referred to the Committee on Health and Human Services Policy.

Erhardt introduced:

H. F. No. 3275, A bill for an act relating to employers; regulating payment of wages using a payroll card account; amending Minnesota Statutes 2012, section 177.255, subdivision 6.

The bill was read for the first time and referred to the Committee on Labor, Workplace and Regulated Industries.

Erhardt introduced:

H. F. No. 3276, A bill for an act relating to employers; regulating electronic employee earnings statements; amending Minnesota Statutes 2012, section 181.032.

The bill was read for the first time and referred to the Committee on Labor, Workplace and Regulated Industries.

Erhardt introduced:

H. F. No. 3277, A bill for an act relating to employers; permitting and regulating on-site drug and alcohol testing at employer work sites; amending Minnesota Statutes 2012, sections 181.950, subdivisions 5, 8, by adding a subdivision; 181.951, subdivision 1; 181.952; 181.953, subdivisions 1, 3, 4, 5, 7, by adding a subdivision; 181.954, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 181.

The bill was read for the first time and referred to the Committee on Labor, Workplace and Regulated Industries.

Erhardt introduced:

H. F. No. 3278, A bill for an act relating to local government; modifying provisions governing energy forward pricing mechanisms for government agencies; amending Minnesota Statutes 2012, section 16C.143; repealing Minnesota Statutes 2012, sections 383B.1588; 473.1293.

The bill was read for the first time and referred to the Committee on Energy Policy.

Johnson, C., introduced:

H. F. No. 3279, A bill for an act relating to transportation; making appropriation for right-of-way acquisition under the corridors of commerce program.

The bill was read for the first time and referred to the Committee on Transportation Finance.

Hansen introduced:

H. F. No. 3280, A bill for an act relating to agriculture; modifying provisions related to the agricultural commodity councils; determining ineligibility for council member positions; requiring certain information to be posted on a council's Web site; authorizing certain fines; amending Minnesota Statutes 2012, sections 17.54, subdivision 11, by adding a subdivision; 17.57, by adding a subdivision; 17.58, subdivision 1, by adding a subdivision; 17.59, subdivision 4; 17.63.

The bill was read for the first time and referred to the Committee on Agriculture Policy.

Murphy, E., introduced:

H. F. No. 3281, A bill for an act relating to health; improving access to health care delivered by advanced practice registered nurses; providing penalties; amending Minnesota Statutes 2012, sections 148.171, subdivisions 3, 5, 9, 10, 11, 13, 16, 21, by adding subdivisions; 148.181, subdivision 1; 148.191, subdivision 2; 148.211, subdivision 2, by adding subdivisions; 148.231, subdivisions 1, 4, 5; 148.233, subdivision 2; 148.234; 148.235, by adding subdivisions; 148.251, subdivision 1; 148.261, subdivision 1; 148.262, subdivisions 1, 2, 4; 148.281, subdivision 1, by adding a subdivision; Minnesota Statutes 2013 Supplement, section 148.271; repealing Minnesota Statutes 2012, sections 148.171, subdivision 6; 148.235, subdivisions 1, 2, 2a, 4, 4a, 4b, 6, 7; 148.284.

The bill was read for the first time and referred to the Committee on Health and Human Services Policy.

Allen introduced:

H. F. No. 3282, A bill for an act relating to human services; modifying provisions governing Indian child welfare; making conforming changes; amending Minnesota Statutes 2012, sections 245A.035, subdivisions 1, 5; 245C.22, subdivision 7; 257.85, subdivision 3; 259A.01, subdivision 25; 259A.10, subdivision 6; 260.755, by adding subdivisions; 260B.007, subdivision 12; 260C.007, subdivision 27, by adding a subdivision; 260C.168; 260C.201, subdivision 5; 260C.212, subdivision 1; Minnesota Statutes 2013 Supplement, sections 256N.02, subdivision 18; 256N.23, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 260.

The bill was read for the first time and referred to the Committee on Civil Law.

Allen introduced:

H. F. No. 3283, A bill for an act relating to human services; modifying provisions governing Indian child welfare; making conforming changes; amending Minnesota Statutes 2012, sections 245A.035, subdivisions 1, 5; 245C.22, subdivision 7; 257.85, subdivision 3; 259A.01, subdivision 25; 259A.10, subdivision 6; 260.755, by adding subdivisions; 260B.007, subdivision 12; 260C.007, subdivision 27, by adding a subdivision; 260C.168; 260C.201, subdivision 5; 260C.212, subdivision 1; Minnesota Statutes 2013 Supplement, sections 256N.02, subdivision 18; 256N.23, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 260.

The bill was read for the first time and referred to the Committee on Judiciary Finance and Policy.

MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 1892 and 2100.

JOANNE M. ZOFF, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 1892, A bill for an act relating to transportation; highways; designating a segment of marked Trunk Highway 36 as Officer Richard Crittenden Memorial Highway; amending Minnesota Statutes 2012, section 161.14, by adding a subdivision.

The bill was read for the first time.

Lillie moved that S. F. No. 1892 and H. F. No. 1979, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2100, A bill for an act relating to public safety; deputy registrars; removing the residency requirement for deputy registrars; amending Minnesota Statutes 2012, section 168.33, subdivision 2.

The bill was read for the first time.

Schoen moved that S. F. No. 2100 and H. F. No. 2394, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

CALENDAR FOR THE DAY

S. F. No. 1952, A bill for an act relating to state government; ratifying labor agreements and compensation plans; amending Minnesota Statutes 2013 Supplement, section 15A.0815, subdivision 5.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 84 yeas and 48 nays as follows:

Those who voted in the affirmative were:

Abeler	Atkins	Bernardy	Carlson	Davids	Dill
Allen	Beard	Bly	Clark	Davnie	Dorholt
Anzelc	Benson, J.	Brynaert	Cornish	Dehn, R.	Erhardt

Erickson, R.	Hornstein	Liebling	Melin	Pelowski	Slocum
Falk	Hortman	Lien	Metsa	Persell	Sundin
Faust	Huntley	Lillie	Moran	Poppe	Theis
Fischer	Isaacson	Loeffler	Morgan	Radinovich	Uglen
Freiberg	Johnson, C.	Lohmer	Mullery	Rosenthal	Urdahl
Fritz	Johnson, S.	Mahoney	Murphy, E.	Savick	Wagenius
Gunther	Kahn	Mariani	Murphy, M.	Sawatzky	Ward, J.A.
Halverson	Kresha	Marquart	Nelson	Schoen	Ward, J.E.
Hansen	Laine	Masin	Newton	Selcer	Winkler
Hausman	Lenczewski	McNamar	Norton	Simon	Yarusso
Hilstrom	Lesch	McNamara	Paymar	Simonson	Spk. Thissen

Those who voted in the negative were:

Albright	Dettmer	Gruenhagen	Kieffer	Nornes	Sanders
Anderson, M.	Drazkowski	Hamilton	Kiel	O'Driscoll	Schomacker
Anderson, P.	Erickson, S.	Hertaus	Leidiger	O'Neill	Scott
Anderson, S.	Fabian	Holberg	Loon	Peppin	Swedzinski
Barrett	FitzSimmons	Hoppe	Mack	Petersburg	Torkelson
Benson, M.	Franson	Howe	McDonald	Pugh	Wills
Daudt	Garofalo	Johnson, B.	Myhra	Quam	Woodard
Dean, M.	Green	Kelly	Newberger	Runbeck	Zerwas

The bill was passed and its title agreed to.

Dauids was excused for the remainder of today's session.

H. F. No. 2091, A bill for an act relating to state employees; expanding the use of the vacation donation to sick leave account; amending Minnesota Statutes 2012, section 43A.1815.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Clark	Fischer	Hoppe	Lenczewski	Melin
Albright	Cornish	FitzSimmons	Hornstein	Lesch	Metsa
Allen	Daudt	Franson	Hortman	Liebling	Moran
Anderson, M.	Davnie	Freiberg	Howe	Lien	Morgan
Anderson, P.	Dean, M.	Fritz	Huntley	Lillie	Mullery
Anderson, S.	Dehn, R.	Garofalo	Isaacson	Loeffler	Murphy, E.
Anzelc	Dettmer	Green	Johnson, B.	Lohmer	Murphy, M.
Atkins	Dill	Gruenhagen	Johnson, C.	Loon	Myhra
Barrett	Dorholt	Gunther	Johnson, S.	Mack	Nelson
Beard	Drazkowski	Halverson	Kahn	Mahoney	Newberger
Benson, J.	Erhardt	Hamilton	Kelly	Mariani	Newton
Benson, M.	Erickson, R.	Hansen	Kieffer	Marquart	Nornes
Bernardy	Erickson, S.	Hausman	Kiel	Masin	Norton
Bly	Fabian	Hertaus	Kresha	McDonald	O'Driscoll
Brynaert	Falk	Hilstrom	Laine	McNamar	O'Neill
Carlson	Faust	Holberg	Leidiger	McNamara	Paymar

Pelowski	Quam	Sawatzky	Simonson	Uglem	Winkler
Peppin	Radinovich	Schoen	Slocum	Urdahl	Woodard
Persell	Rosenthal	Schomacker	Sundin	Wagenius	Yarusso
Petersburg	Runbeck	Scott	Swedzinski	Ward, J.A.	Zerwas
Poppe	Sanders	Selcer	Theis	Ward, J.E.	Spk. Thissen
Pugh	Savick	Simon	Torkelson	Wills	

The bill was passed and its title agreed to.

H. F. No. 2385, A bill for an act relating to civil actions; adjusting certain time limits relating to the certification of expert review because of recent amendments to the Minnesota Rules of Civil Procedure; amending Minnesota Statutes 2012, sections 145.682, subdivisions 2, 4; 544.42, subdivisions 2, 4.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Dettmer	Hausman	Liebling	Nelson	Schomacker
Albright	Dill	Hertaus	Lien	Newberger	Scott
Allen	Dorholt	Hilstrom	Lillie	Newton	Selcer
Anderson, M.	Drazkowski	Holberg	Loeffler	Nornes	Simon
Anderson, P.	Erhardt	Hoppe	Lohmer	Norton	Simonson
Anderson, S.	Erickson, R.	Hornstein	Loon	O'Driscoll	Slocum
Anzelc	Erickson, S.	Hortman	Mack	O'Neill	Sundin
Atkins	Fabian	Howe	Mahoney	Paymar	Swedzinski
Barrett	Falk	Huntley	Mariani	Pelowski	Theis
Beard	Faust	Isaacson	Marquart	Peppin	Torkelson
Benson, J.	Fischer	Johnson, B.	Masin	Persell	Uglem
Benson, M.	FitzSimmons	Johnson, C.	McDonald	Petersburg	Urdahl
Bernardy	Franson	Johnson, S.	McNamar	Poppe	Wagenius
Bly	Freiberg	Kahn	McNamara	Pugh	Ward, J.A.
Brynaert	Fritz	Kelly	Melin	Quam	Ward, J.E.
Carlson	Garofalo	Kieffer	Metsa	Radinovich	Wills
Clark	Green	Kiel	Moran	Rosenthal	Winkler
Cornish	Gruenhagen	Kresha	Morgan	Runbeck	Woodard
Daudt	Gunther	Laine	Mullery	Sanders	Yarusso
Davnie	Halverson	Leidiger	Murphy, E.	Savick	Zerwas
Dean, M.	Hamilton	Lenczewski	Murphy, M.	Sawatzky	Spk. Thissen
Dehn, R.	Hansen	Lesch	Myhra	Schoen	

The bill was passed and its title agreed to.

H. F. No. 655, A bill for an act relating to energy; regulating the routing process for high-voltage transmission lines; prohibiting the designation of a preferred route in the permitting process; amending Minnesota Statutes 2012, section 216E.03, subdivision 3.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Dettmer	Hausman	Liebling	Nelson	Schomacker
Albright	Dill	Hertaus	Lien	Newberger	Scott
Allen	Dorholt	Hilstrom	Lillie	Newton	Selcer
Anderson, M.	Drazkowski	Holberg	Loeffler	Nornes	Simon
Anderson, P.	Erhardt	Hoppe	Lohmer	Norton	Simonson
Anderson, S.	Erickson, R.	Hornstein	Loon	O'Driscoll	Slocum
Anzelc	Erickson, S.	Hortman	Mack	O'Neill	Sundin
Atkins	Fabian	Howe	Mahoney	Paymar	Swedzinski
Barrett	Falk	Huntley	Mariani	Pelowski	Theis
Beard	Faust	Isaacson	Marquart	Peppin	Torkelson
Benson, J.	Fischer	Johnson, B.	Masin	Persell	Uglen
Benson, M.	FitzSimmons	Johnson, C.	McDonald	Petersburg	Urdahl
Bernardy	Franson	Johnson, S.	McNamar	Poppe	Wagenius
Bly	Freiberg	Kahn	McNamara	Pugh	Ward, J.A.
Brynaert	Fritz	Kelly	Melin	Quam	Ward, J.E.
Carlson	Garofalo	Kieffer	Metsa	Radinovich	Wills
Clark	Green	Kiel	Moran	Rosenthal	Winkler
Cornish	Gruenhagen	Kresha	Morgan	Runbeck	Woodard
Daudt	Gunther	Laine	Mullery	Sanders	Yarusso
Davnie	Halverson	Leidiger	Murphy, E.	Savick	Zerwas
Dean, M.	Hamilton	Lenczewski	Murphy, M.	Sawatzky	Spk. Thissen
Dehn, R.	Hansen	Lesch	Myhra	Schoen	

The bill was passed and its title agreed to.

MOTIONS AND RESOLUTIONS

Bernardy moved that the name of Simon be added as an author on H. F. No. 821. The motion prevailed.

Winkler moved that the name of Simon be added as an author on H. F. No. 907. The motion prevailed.

Winkler moved that the name of Simon be added as an author on H. F. No. 1058. The motion prevailed.

Lesch moved that the name of Simon be added as an author on H. F. No. 1316. The motion prevailed.

Erhardt moved that the name of Simon be added as an author on H. F. No. 1528. The motion prevailed.

Erhardt moved that the name of Brynaert be added as an author on H. F. No. 1796. The motion prevailed.

Melin moved that the name of Isaacson be added as an author on H. F. No. 1818. The motion prevailed.

Hausman moved that the names of Mahoney and Johnson, S., be added as authors on H. F. No. 2031. The motion prevailed.

Holberg moved that the name of Brynaert be added as an author on H. F. No. 2120. The motion prevailed.

Moran moved that the name of Ward, J.E., be added as an author on H. F. No. 2130. The motion prevailed.

Newton moved that the name of Moran be added as an author on H. F. No. 2209. The motion prevailed.

Ward, J.E., moved that the name of Persell be added as an author on H. F. No. 2225. The motion prevailed.

Fritz moved that the name of Newton be added as an author on H. F. No. 2260. The motion prevailed.

Winkler moved that the name of Hilstrom be added as an author on H. F. No. 2281. The motion prevailed.

Schoen moved that the name of Fischer be added as an author on H. F. No. 2307. The motion prevailed.

Rosenthal moved that his name be stricken as an author on H. F. No. 2440. The motion prevailed.

Poppe moved that the name of Persell be added as an author on H. F. No. 2456. The motion prevailed.

Poppe moved that the name of Brynaert be added as an author on H. F. No. 2538. The motion prevailed.

Hansen moved that the name of Johnson, C., be added as an author on H. F. No. 2571. The motion prevailed.

Runbeck moved that her name be stricken as an author on H. F. No. 2591. The motion prevailed.

Sawatzky moved that the name of Selcer be added as an author on H. F. No. 2671. The motion prevailed.

Pelowski moved that the name of Radinovich be added as an author on H. F. No. 2781. The motion prevailed.

Isaacson moved that his name be stricken as an author on H. F. No. 2878. The motion prevailed.

Hansen moved that the names of Benson, J.; Slocum and Hausman be added as authors on H. F. No. 2908. The motion prevailed.

Lesch moved that the name of Bernardy be added as an author on H. F. No. 2925. The motion prevailed.

Holberg moved that the name of Fabian be added as an author on H. F. No. 2927. The motion prevailed.

McDonald moved that his name be stricken as an author on H. F. No. 3094. The motion prevailed.

Hornstein moved that the name of Newberger be added as an author on H. F. No. 3134. The motion prevailed.

Pelowski moved that the name of Brynaert be added as an author on H. F. No. 3144. The motion prevailed.

Morgan moved that the name of Bernardy be added as an author on H. F. No. 3188. The motion prevailed.

Metsa moved that the names of Hansen, Isaacson and Bly be added as authors on H. F. No. 3205. The motion prevailed.

Dehn, R., moved that the name of Clark be added as an author on H. F. No. 3259. The motion prevailed.

Sawatzky moved that H. F. No. 2214 be recalled from the Committee on Transportation Finance and be re-referred to the Committee on Government Operations. The motion prevailed.

Yarusso moved that H. F. No. 2324 be recalled from the Committee on Education Policy and be re-referred to the Committee on Labor, Workplace and Regulated Industries. The motion prevailed.

ADJOURNMENT

Murphy, E., moved that when the House adjourns today it adjourn until 12:00 noon, Wednesday, March 26, 2014. The motion prevailed.

Murphy, E., moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 12:00 noon, Wednesday, March 26, 2014.

ALBIN A. MATHIOWETZ, Chief Clerk, House of Representatives