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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 2749

03/08/2016 Authored by Knoblach, Loon and Nornes
The bill was read for the first time and referred to the Committee on Ways and Means

04/21/2016 Adoption of Report: Placed on the General Register as Amended
Read Second Time

04/25/2016 Calendar for the Day, Amended
Read Third Time as Amended
Passed by the House as Amended and transmitted to the Senate to include Floor Amendments

05/04/2016 Returned to the House as Amended by the Senate
Refused to concur and Conference Committee appointed

1.1 A bill for an act

1.2 relating to state government; conforming buyback level for the budget reserve

1.3 with the most recent forecast; eliminating obsolete language; providing policy

1.4 and finance for the Office of Higher Education, the Minnesota State Colleges

1.5 and Universities, and the University of Minnesota, including programs for

1.6 student loans, students with disabilities, fetal tissue research, psychiatric drug

1.7 trials, and collegiate recovery; providing funding and policy for early childhood

1.8 and family, prekindergarten through grade 12, and adult education, including

1.9 general education, education excellence, charter schools, special education, early

1.10 childhood education, self-sufficiency, lifelong learning, and state agencies;

1.11 appropriating money; requiring reports; amending Minnesota Statutes 2014,

1.12 sections 120A.22, subdivision 12; 120A.42; 120B.02, by adding a subdivision;

1.13 120B.021, subdivisions 1, 3; 120B.11, subdivisions 1a, 2, 3, 4, 5; 120B.15;

1.14 120B.31, by adding subdivisions; 120B.35; 120B.36, as amended; 121A.53;

1.15 121A.61, subdivision 1; 121A.64; 122A.07, subdivision 2; 122A.09, subdivision

1.16 10, by adding a subdivision; 122A.14, subdivision 9; 122A.16; 122A.18,

1.17 subdivisions 7c, 8; 122A.21, subdivision 1, by adding a subdivision; 122A.245,

1.18 subdivision 8; 122A.31, subdivision 3; 122A.40, subdivision 10; 122A.41, by

1.19 adding a subdivision; 122A.4144; 122A.416; 122A.42; 122A.72, subdivision

1.20 5; 123A.24, subdivision 2; 123B.147, subdivision 3; 123B.49, subdivision

1.21 4; 123B.571, subdivision 2; 123B.60, subdivision 1; 123B.71, subdivision 8;

1.22 123B.79, subdivisions 5, 8, 9; 124D.111, by adding a subdivision; 124D.13,

1.23 subdivisions 1, 5, 9; 124D.135, subdivisions 5, 7; 124D.15, subdivisions 1, 3a,

1.24 15; 124D.16, subdivisions 3, 5; 124D.165, as amended; 124D.52, subdivisions

1.25 1, 2; 124D.55; 124D.59, by adding a subdivision; 124D.861, as amended;

1.26 124D.896; 125A.091, subdivision 11; 125A.0942, subdivision 4; 126C.10,

1.27 subdivisions 2e, 24; 126C.15, subdivision 3; 126C.17, subdivision 9a; 126C.40,

1.28 subdivision 5; 126C.63, subdivision 7; 127A.095; 127A.353, subdivision 4;

1.29 127A.41, subdivision 2; 127A.45, subdivision 6a; 127A.51; 129C.10, subdivision

1.30 1; 136A.01, by adding a subdivision; 136A.101, subdivision 10; 245.92; 245.94;

1.31 245.945; 245.95, subdivision 1; 245.97, subdivision 5; Minnesota Statutes

1.32 2015 Supplement, sections 16A.152, subdivision 2; 120B.021, subdivision 4;

1.33 120B.125; 120B.30, subdivisions 1, 1a; 120B.301; 120B.31, subdivision 4;

1.34 122A.09, subdivision 4; 122A.21, subdivision 2; 122A.30; 122A.40, subdivision

1.35 8; 122A.41, subdivision 5; 122A.414, subdivisions 1, 2, 2b; 122A.415,

1.36 subdivision 3; 122A.60, subdivision 4; 123B.53, subdivision 1; 123B.595,

1.37 subdivisions 4, 7, 8, 9, 10, 11, by adding a subdivision; 124D.16, subdivision

1.38 2; 124D.231, subdivision 2; 124D.73, subdivision 4; 124E.05, subdivisions 4,

1.39 5, 7; 124E.10, subdivisions 1, 5; 124E.16, subdivision 2; 125A.08; 125A.083;

2.1 125A.0942, subdivision 3; 125A.11, subdivision 1; 125A.21, subdivision 3;
 2.2 125A.63, subdivision 4; 125A.76, subdivision 2c; 125A.79, subdivision 1;
 2.3 126C.10, subdivisions 1, 13a; 126C.15, subdivisions 1, 2; 126C.48, subdivision
 2.4 8; 127A.05, subdivision 6; 127A.47, subdivision 7; 136A.121, subdivision
 2.5 7a; 136A.125, subdivisions 2, 4; 136A.1791, subdivisions 4, 5, 6; 136A.87;
 2.6 136F.302, subdivision 1; Laws 2010, chapter 396, section 7; Laws 2011, First
 2.7 Special Session chapter 11, article 4, section 8; Laws 2012, chapter 263, section
 2.8 1, as amended; Laws 2013, chapter 116, article 7, section 19, as amended; Laws
 2.9 2015, chapter 69, article 1, sections 3, subdivisions 19, 28; 5, subdivision 2;
 2.10 article 3, sections 20, subdivision 15; 24, subdivision 1; Laws 2015, First Special
 2.11 Session chapter 3, article 1, section 27, subdivisions 2, 4, 5, 6, 7, 9; article 2,
 2.12 section 70, subdivisions 2, 3, 4, 5, 6, 7, 11, 12; article 3, section 15, subdivision
 2.13 3; article 4, sections 4; 9, subdivision 2; article 5, section 30, subdivisions 2, 3, 5;
 2.14 article 6, section 13, subdivisions 2, 3, 6, 7; article 7, section 7, subdivisions 2, 3,
 2.15 4; article 9, section 8, subdivisions 5, 6, 7, 9; article 10, section 3, subdivision 2;
 2.16 article 11, section 3, subdivisions 2, 3; article 12, section 4; proposing coding
 2.17 for new law in Minnesota Statutes, chapters 119A; 120B; 121A; 122A; 124D;
 2.18 125B; 127A; 129C; 136A; 136F; 137; 181; repealing Minnesota Statutes
 2.19 2014, sections 120B.299, subdivision 5; 122A.40, subdivision 11; 122A.41,
 2.20 subdivision 14; 122A.413, subdivision 3; 122A.74; 123B.60, subdivision 2;
 2.21 123B.79, subdivisions 2, 6; Minnesota Statutes 2015 Supplement, section
 2.22 122A.413, subdivisions 1, 2; Minnesota Rules, part 3535.0110, subparts 6, 7, 8.

2.23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

2.24 **ARTICLE 1**

2.25 **STATE FINANCES**

2.26 Section 1. Minnesota Statutes 2015 Supplement, section 16A.152, subdivision 2,
 2.27 is amended to read:

2.28 Subd. 2. **Additional revenues; priority.** (a) If on the basis of a forecast of general
 2.29 fund revenues and expenditures, the commissioner of management and budget determines
 2.30 that there will be a positive unrestricted budgetary general fund balance at the close of
 2.31 the biennium, the commissioner of management and budget must allocate money to the
 2.32 following accounts and purposes in priority order:

2.33 (1) the cash flow account established in subdivision 1 until that account reaches
 2.34 \$350,000,000;

2.35 (2) the budget reserve account established in subdivision 1a until that account
 2.36 reaches ~~\$810,992,000~~ \$1,596,522,000;

2.37 (3) the amount necessary to increase the aid payment schedule for school district
 2.38 aids and credits payments in section 127A.45 to not more than 90 percent rounded to the
 2.39 nearest tenth of a percent without exceeding the amount available and with any remaining
 2.40 funds deposited in the budget reserve; and

2.41 (4) the amount necessary to restore all or a portion of the net aid reductions under
 2.42 section 127A.441 and to reduce the property tax revenue recognition shift under section
 2.43 123B.75, subdivision 5, by the same amount;.

3.1 ~~(5) the closed landfill investment fund established in section 115B.421 until~~
 3.2 ~~\$63,215,000 has been transferred into the account. This clause expires after the entire~~
 3.3 ~~amount of the transfer has been made; and~~

3.4 ~~(6) the metropolitan landfill contingency action trust account established in section~~
 3.5 ~~473.845 until \$8,100,000 has been transferred into the account. This clause expires after~~
 3.6 ~~the entire amount of the transfer has been made.~~

3.7 (b) The amounts necessary to meet the requirements of this section are appropriated
 3.8 from the general fund within two weeks after the forecast is released or, in the case of
 3.9 transfers under paragraph (a), clauses (3) and (4), as necessary to meet the appropriations
 3.10 schedules otherwise established in statute.

3.11 (c) The commissioner of management and budget shall certify the total dollar
 3.12 amount of the reductions under paragraph (a), clauses (3) and (4), to the commissioner of
 3.13 education. The commissioner of education shall increase the aid payment percentage and
 3.14 reduce the property tax shift percentage by these amounts and apply those reductions to
 3.15 the current fiscal year and thereafter.

3.16 ARTICLE 2

3.17 OFFICE OF HIGHER EDUCATION

3.18 Section 1. Minnesota Statutes 2014, section 136A.01, is amended by adding a
 3.19 subdivision to read:

3.20 Subd. 4. Management of programs. (a) The commissioner may retain up to five
 3.21 percent of the amount appropriated to the office for a program or pass-through grant if:

3.22 (1) the program or grant is first established on or after January 1, 2016; and

3.23 (2) the appropriation does not specify an amount for administrative costs.

3.24 (b) The amount retained under paragraph (a) is appropriated to the commissioner and
 3.25 must be used for the costs of administering and monitoring programs and pass-through
 3.26 grants established on or after January 1, 2016.

3.27 Sec. 2. [136A.0412] RECEIPT OF DONATIONS; MONEY; GRANTS.

3.28 The commissioner may accept donations, grants, bequests, and other funds to carry
 3.29 out the purposes of section 136A.01. A donation, nonfederal grant, bequest, or other fund
 3.30 received by the commissioner is deposited in an account in the special revenue fund.

3.31 Funds in the account are appropriated to the commissioner for the purpose for which they
 3.32 were granted and are available until expended.

4.1 Sec. 3. Minnesota Statutes 2015 Supplement, section 136A.121, subdivision 7a,
4.2 is amended to read:

4.3 Subd. 7a. **Surplus appropriation.** If the amount appropriated is determined by the
4.4 office to be more than sufficient to fund projected grant demand in the second year of the
4.5 biennium, the office may increase the living and miscellaneous expense allowance ~~or the~~
4.6 ~~tuition and fee maximums~~ in the second year of the biennium by up to an amount that
4.7 retains sufficient appropriations to fund the projected grant demand. The adjustment may
4.8 be made one or more times. In making the determination that there are more than sufficient
4.9 funds, the office shall balance the need for sufficient resources to meet the projected
4.10 demand for grants with the goal of fully allocating the appropriation for state grants. An
4.11 increase in the living and miscellaneous expense allowance under this subdivision does
4.12 not carry forward into a subsequent biennium.

4.13 Sec. 4. Minnesota Statutes 2015 Supplement, section 136A.125, subdivision 2, is
4.14 amended to read:

4.15 Subd. 2. **Eligible students.** (a) An applicant is eligible for a child care grant if
4.16 the applicant:

4.17 (1) is a resident of the state of Minnesota or the applicant's spouse is a resident
4.18 of the state of Minnesota;

4.19 (2) has a child 12 years of age or younger, or 14 years of age or younger who is
4.20 disabled as defined in section 125A.02, and who is receiving or will receive care on a
4.21 regular basis from a licensed or legal, nonlicensed caregiver;

4.22 (3) is income eligible as determined by the office's policies and rules, but is not a
4.23 recipient of assistance from the Minnesota family investment program;

4.24 (4) either has not earned a baccalaureate degree and has been enrolled full time less
4.25 than eight semesters or the equivalent, or has earned a baccalaureate degree and has been
4.26 enrolled full time less than eight semesters or the equivalent in a graduate or professional
4.27 degree program;

4.28 (5) is pursuing a nonsectarian program or course of study that applies to an
4.29 undergraduate, graduate, or professional degree, diploma, or certificate;

4.30 (6) is enrolled in at least ~~half time~~ six credits in an undergraduate program or one
4.31 credit in a graduate or professional program in an eligible institution; and

4.32 (7) is in good academic standing and making satisfactory academic progress.

4.33 (b) A student who withdraws from enrollment for active military service after
4.34 December 31, 2002, because the student was ordered to active military service as defined
4.35 in section 190.05, subdivision 5b or 5c, or for a major illness, while under the care of a

5.1 medical professional, that substantially limits the student's ability to complete the term
5.2 is entitled to an additional semester or the equivalent of grant eligibility and will be
5.3 considered to be in continuing enrollment status upon return.

5.4 Sec. 5. Minnesota Statutes 2015 Supplement, section 136A.125, subdivision 4, is
5.5 amended to read:

5.6 Subd. 4. **Amount and length of grants.** (a) The amount of a child care grant
5.7 must be based on:

5.8 (1) the income of the applicant and the applicant's spouse;

5.9 (2) the number in the applicant's family, as defined by the office; and

5.10 (3) the number of eligible children in the applicant's family.

5.11 (b) The maximum award to the applicant shall be \$2,800 for each eligible child per
5.12 academic year, except that the campus financial aid officer may apply to the office for
5.13 approval to increase grants by up to ten percent to compensate for higher market charges
5.14 for infant care in a community. The office shall develop policies to determine community
5.15 market costs and review institutional requests for compensatory grant increases to ensure
5.16 need and equal treatment. The office shall prepare a chart to show the amount of a grant
5.17 that will be awarded per child based on the factors in this subdivision. The chart shall
5.18 include a range of income and family size.

5.19 (c) Applicants with family incomes at or below a percentage of the federal poverty
5.20 level, as determined by the commissioner, will qualify for the maximum award. The
5.21 commissioner shall attempt to set the percentage at a level estimated to fully expend the
5.22 available appropriation for child care grants. Applicants with family incomes exceeding
5.23 that threshold will receive the maximum award minus ten percent of their income
5.24 exceeding that threshold. If the result is less than zero, the grant is zero.

5.25 (d) The academic year award amount must be disbursed by academic term using the
5.26 following formula:

5.27 (1) the academic year amount described in paragraph (b);

5.28 (2) divided by the number of terms in the academic year;

5.29 (3) divided by 15 for undergraduate students and six for graduate and professional
5.30 students; and

5.31 (4) multiplied by the number of credits for which the student is enrolled that
5.32 academic term, up to 15 credits for undergraduate students and six for graduate and
5.33 professional students.

6.1 (e) Payments shall be made each academic term to the student or to the child care
6.2 provider, as determined by the institution. Institutions may make payments more than
6.3 once within the academic term.

6.4 Sec. 6. Minnesota Statutes 2015 Supplement, section 136A.1791, subdivision 4,
6.5 is amended to read:

6.6 Subd. 4. **Application for loan forgiveness.** Each applicant for loan forgiveness,
6.7 according to rules adopted by the commissioner, shall:

6.8 (1) apply for teacher shortage loan forgiveness and promptly submit any additional
6.9 information required by the commissioner; and

6.10 ~~(2) annually reapply for up to five consecutive school years and submit information~~
6.11 ~~the commissioner requires to determine the applicant's continued eligibility for loan~~
6.12 ~~forgiveness; and~~

6.13 ~~(3)~~ (2) submit to the commissioner a completed affidavit, prescribed by the
6.14 commissioner, affirming the teacher is teaching in: (i) a licensure field and in identified by
6.15 the commissioner as experiencing a teacher shortage; or (ii) an economic development
6.16 region identified by the commissioner as experiencing a teacher shortage.

6.17 Sec. 7. Minnesota Statutes 2015 Supplement, section 136A.1791, subdivision 5,
6.18 is amended to read:

6.19 Subd. 5. **Amount of loan forgiveness.** (a) To the extent funding is available, the
6.20 annual amount of teacher shortage loan forgiveness for an approved applicant shall not
6.21 exceed \$1,000 or the cumulative balance of the applicant's qualified educational loans,
6.22 including principal and interest, whichever amount is less.

6.23 (b) Recipients must secure their own qualified educational loans. Teachers who
6.24 graduate from an approved teacher preparation program or teachers who add a licensure
6.25 field, consistent with the teacher shortage requirements of this section, are eligible to
6.26 apply for the loan forgiveness program.

6.27 (c) No teacher shall receive more than five annual awards.

6.28 Sec. 8. Minnesota Statutes 2015 Supplement, section 136A.1791, subdivision 6,
6.29 is amended to read:

6.30 Subd. 6. **Disbursement.** (a) The commissioner must make annual disbursements
6.31 directly to the participant of the amount for which a participant is eligible, for each year
6.32 that a participant is eligible.

7.1 (b) Within 60 days of receipt of a the disbursement date, the participant must provide
 7.2 the commissioner with verification that the full amount of loan repayment disbursement
 7.3 has been applied toward the designated loans. A participant that previously received
 7.4 funds under this section but has not provided the commissioner with such verification
 7.5 is not eligible to receive additional funds.

7.6 **Sec. 9. [136A.1792] PROMOTION OF FEDERAL LOAN FORGIVENESS**
 7.7 **PROGRAMS.**

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

7.10 (b) "Federal loan forgiveness program" means a loan forgiveness program offered
 7.11 under Code of Federal Regulations, title 34, part 685.

7.12 (c) "Public service loan forgiveness program" means the loan forgiveness program
 7.13 offered under Code of Federal Regulations, title 34, part 685, section 219.

7.14 (d) "Public service organization" means a public service organization under Code of
 7.15 Federal Regulations, title 34, part 685, section 219.

7.16 Subd. 2. **Promotion of federal loan forgiveness programs.** (a) The commissioner
 7.17 must develop and distribute informational materials designed to increase awareness of
 7.18 federal loan forgiveness programs among Minnesota residents who are eligible for such
 7.19 programs. At a minimum, the commissioner must develop and distribute informational
 7.20 materials that public service organizations may use to promote awareness of the federal
 7.21 public service loan forgiveness program, including:

7.22 (1) a one-page letter addressed to individuals who may be eligible for the public
 7.23 service loan forgiveness program that briefly summarizes the program, provides
 7.24 information on what an eligible individual must do in order to participate, and recommends
 7.25 that they contact their student loan servicer or servicers for additional information;

7.26 (2) a detailed fact sheet describing the public service loan forgiveness program; and

7.27 (3) a document containing answers to frequently asked questions about the public
 7.28 service loan forgiveness program.

7.29 (b) In place of developing and publishing an informational document required under
 7.30 paragraph (a), the commissioner may distribute a document published by a federal agency
 7.31 that meets the requirements of paragraph (a).

7.32 Subd. 3. **Publication of informational materials.** The commissioner must make
 7.33 the informational materials required under subdivision 2 available on the office's Web
 7.34 site and must verify each biennium that the informational materials contain current

8.1 information. The commissioner must update and correct any informational materials that
8.2 the commissioner finds to be inaccurate or outdated.

8.3 Sec. 10. Minnesota Statutes 2015 Supplement, section 136A.87, is amended to read:

8.4 **136A.87 PLANNING INFORMATION FOR POSTSECONDARY**
8.5 **EDUCATION.**

8.6 (a) The office shall make available to all residents beginning in 7th grade through
8.7 adulthood information about planning and preparing for postsecondary opportunities.
8.8 Information must be provided to all 7th grade students and their parents annually
8.9 by September 30 about planning for their postsecondary education. The office may
8.10 also provide information to high school students and their parents, to adults, and to
8.11 out-of-school youth.

8.12 (b) The office shall gather and share information with students and parents about
8.13 the dual credit acceptance policies of each Minnesota public and private college and
8.14 university. The office shall gather and share information related to the acceptance policies
8.15 for concurrent enrollment courses, postsecondary enrollment options courses, advanced
8.16 placement courses, and international baccalaureate courses. This information must be
8.17 shared on the office's Web site and included in the information under paragraph (a).

8.18 (c) The information provided under paragraph (a) may include the following:

8.19 (1) the need to start planning early;

8.20 (2) the availability of assistance in educational planning from educational institutions
8.21 and other organizations;

8.22 (3) suggestions for studying effectively during high school;

8.23 (4) high school courses necessary to be adequately prepared for postsecondary
8.24 education;

8.25 (5) encouragement to involve parents actively in planning for all phases of education;

8.26 (6) information about postsecondary education and training opportunities existing
8.27 in the state, their respective missions and expectations for students, their preparation
8.28 requirements, admission requirements, and student placement;

8.29 (7) ways to evaluate and select postsecondary institutions;

8.30 (8) the process of transferring credits among Minnesota postsecondary institutions
8.31 and systems;

8.32 (9) the costs of postsecondary education and the availability of financial assistance
8.33 in meeting these costs, including specific information about the Minnesota Promise;

8.34 (10) the interrelationship of assistance from student financial aid, public assistance,
8.35 and job training programs; and

9.1 (11) financial planning for postsecondary education.

9.2 EFFECTIVE DATE. This section is effective for the 2016-2017 school year and
9.3 later.

9.4 Sec. 11. [181.987] DISCLOSURE OF ELIGIBILITY FOR STUDENT LOAN
9.5 FORGIVENESS.

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

9.8 (b) "Employer" means an organization, agency, or entity that is a public service
9.9 organization under Code of Federal Regulations, title 34, part 685, section 219, provided
9.10 that the following are not employers:

9.11 (1) a federal or tribal government organization, agency, or entity; and

9.12 (2) a tribal college or university.

9.13 (c) "Employment certification form" means the form used by the United States
9.14 Department of Education to certify an individual's employment at a public service
9.15 organization for the purposes of the federal public service loan forgiveness program.

9.16 (d) "Federal public service loan forgiveness program" means the program offered
9.17 under Code of Federal Regulations, title 34, part 685, section 219.

9.18 Subd. 2. Disclosure of eligibility for student loan forgiveness. (a) An employer
9.19 must provide an employee with information about the employee's potential eligibility
9.20 for the federal public service loan forgiveness program. An employer must annually
9.21 provide to each employee in written or electronic form the one-page letter, fact sheet,
9.22 and frequently asked questions required under section 136A.1792, subdivision 2. An
9.23 employer must provide a newly hired employee with that information within two weeks of
9.24 the employee's first day of employment.

9.25 (b) At an employee's request, an employer must provide the employee with a copy
9.26 of the employment certification form.

9.27 EFFECTIVE DATE. This section is effective January 1, 2017. An employer must
9.28 provide information to current employees, as required by subdivision 2, by January 15,
9.29 2017.

9.30 Sec. 12. Laws 2015, chapter 69, article 1, section 3, subdivision 19, is amended to read:

9.31 Subd. 19. **College Possible** 250,000 250,000

9.32 (a) This appropriation is for immediate
9.33 transfer to College Possible to support

10.1 programs of college admission and college
10.2 graduation for low-income students through
10.3 an intensive curriculum of coaching
10.4 and support at both the high school and
10.5 postsecondary level.

10.6 (b) This appropriation must, to the extent
10.7 possible, be proportionately allocated
10.8 between students from greater Minnesota and
10.9 students in the seven-county metropolitan
10.10 area.

10.11 (c) This appropriation must be used
10.12 by College Possible only for programs
10.13 supporting students who are residents
10.14 of Minnesota and attending colleges or
10.15 universities within Minnesota.

10.16 (d) By February 1 of each year, College
10.17 Possible must report to the chairs and
10.18 ranking minority members of the legislative
10.19 committees and divisions with jurisdiction
10.20 over higher education and E-12 education on
10.21 activities funded by this appropriation. The
10.22 report must include, but is not limited to,
10.23 information about the expansion of College
10.24 Possible in Minnesota, the number of College
10.25 Possible coaches hired, the expansion within
10.26 existing partner high schools, the expansion
10.27 of high school partnerships, the number of
10.28 high school and college students served, the
10.29 total hours of community service by high
10.30 school and college students, and a list of
10.31 communities and organizations benefitting
10.32 from student service hours.

10.33 (e) To the extent possible, College Possible
10.34 must use the funds appropriated under this
10.35 subdivision to:

- 11.1 (1) hire coaches with similar racial, ethnic,
 11.2 and socioeconomic characteristics as the
 11.3 school in which the coaches will work; and
 11.4 (2) provide extensive racial equity and
 11.5 cultural competency training to College
 11.6 Possible coaches and staff.

11.7 Sec. 13. Laws 2015, chapter 69, article 3, section 20, subdivision 15, is amended to read:

11.8 Subd. 15. **Reporting.** (a) A college must report to the commissioner the following
 11.9 information:

- 11.10 (1) the number of grantees and their race, gender, and ethnicity;
 11.11 (2) grantee persistence and completion;
 11.12 (3) employment outcomes; and
 11.13 (4) other information requested by the commissioner.

11.14 (b) The commissioner shall report ~~annually~~ by January 15, 2017, and January 15,
 11.15 2018, to the chairs and ranking minority members of the legislative committees with
 11.16 jurisdiction over higher education finance by college and in aggregate on the information
 11.17 submitted to the commissioner under paragraph (a). The commissioner may include in the
 11.18 report recommendations for changes in the grant program.

11.19 Sec. 14. Laws 2015, chapter 69, article 3, section 24, subdivision 1, is amended to read:

11.20 Subdivision 1. **Pilot program created.** The commissioner of the Office of Higher
 11.21 Education shall make a grant to a nonprofit qualified debt counseling organization to
 11.22 provide individual student loan debt repayment counseling to borrowers who are Minnesota
 11.23 residents concerning loans obtained to attend a Minnesota postsecondary institution. ~~The~~
 11.24 ~~counseling shall be provided to borrowers who are 30 to 60 days delinquent when they~~
 11.25 ~~are referred to or otherwise identified by the organization as candidates for counseling.~~
 11.26 The number of individuals receiving counseling may be limited to those capable of being
 11.27 served with available appropriations for that purpose. A goal of the counseling program is
 11.28 to provide two counseling sessions to at least 75 percent of borrowers receiving counseling.

11.29 The purpose of the counseling is to assist borrowers to:

- 11.30 (1) understand their loan and repayment options;
 11.31 (2) manage loan repayment; and
 11.32 (3) develop a workable budget based on the borrower's full financial situation
 11.33 regarding income, expenses, and other debt.

12.1 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2015.

12.2 Sec. 15. **MNSCU TWO-YEAR COLLEGE PROGRAM; ADMINISTRATIVE**
12.3 **COSTS.**

12.4 The appropriation made by Laws 2015, chapter 69, article 1, section 3, subdivision
12.5 18, paragraph (c), for fiscal year 2017 for information technology and administrative costs
12.6 is available on the effective date of this section and until June 30, 2017.

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

12.8 Sec. 16. **EQUITY IN POSTSECONDARY ATTAINMENT.**

12.9 Subdivision 1. **Programs required.** The commissioner of the Office of Higher
12.10 Education, the Board of Regents of the University of Minnesota, and the Board of
12.11 Trustees of the Minnesota State Colleges and Universities must develop and implement
12.12 programs, utilizing research-based best practices, to support equity in postsecondary
12.13 student retention and completion.

12.14 Subd. 2. **Documentation of program development required.** At a minimum, the
12.15 following information must be documented in developing a program under this section:

12.16 (1) a description of the characteristics of the students to be served and documentation
12.17 of the campus need for services;

12.18 (2) a description of the services to be provided and a timeline for implementation
12.19 of the services;

12.20 (3) the research-based best practices proven effective in closing attainment gaps for
12.21 the students identified under clause (1) to be implemented;

12.22 (4) a description of how the services will advance postsecondary retention and
12.23 postsecondary completion and be aligned with preparing postsecondary students for state
12.24 workforce needs;

12.25 (5) a description of how the services will be evaluated to determine whether the
12.26 program objectives and goals are met; and

12.27 (6) a plan for sustaining the program, including a three-year proposed budget for all
12.28 program services and activities.

12.29 Subd. 3. **Outcomes report to legislature.** (a) No later than January 1 of each
12.30 year, the commissioner of higher education, the Board of Regents of the University of
12.31 Minnesota, and the Board of Trustees of the Minnesota State Colleges and Universities
12.32 must each submit a report to the legislative committees with jurisdiction over higher
12.33 education policy and finance regarding the programs developed and implemented as
12.34 provided by this section.

13.1 (b) The report must include, but is not limited to, the following information for
 13.2 each program:

13.3 (1) the documentation required by subdivision 2;

13.4 (2) for programs that have been implemented, information on:

13.5 (i) demographic characteristics of students served;

13.6 (ii) course taking and grade point averages of participating students;

13.7 (iii) persistence and retention rates of participating students; and

13.8 (iv) graduation rates of participating students;

13.9 (3) identification of any institutions and organizations providing program services;

13.10 and

13.11 (4) program revenue sources and total program funding levels.

13.12 To the extent possible, the information required by clause (2) must break down outcomes
 13.13 by race and ethnicity.

13.14 **ARTICLE 3**

13.15 **MNSCU PILOT PROGRAM; STUDENTS WITH DISABILITIES**

13.16 Section 1. Minnesota Statutes 2014, section 136A.101, subdivision 10, is amended to
 13.17 read:

13.18 Subd. 10. **Satisfactory academic progress.** "Satisfactory academic progress"
 13.19 means satisfactory academic progress as defined under Code of Federal Regulations, title
 13.20 34, sections 668.16(e), 668.32(f), and 668.34, except that a student with an intellectual
 13.21 disability as defined in Code of Federal Regulations, title 34, section 668.231, enrolled
 13.22 in an approved comprehensive transition and postsecondary program under that section
 13.23 is subject to the institution's published satisfactory academic process standards for that
 13.24 program as approved by the Office of Higher Education.

13.25 Sec. 2. **MNSCU PROGRAM FOR STUDENTS WITH INTELLECTUAL AND**
 13.26 **DEVELOPMENTAL DISABILITIES; PLAN REQUIRED.**

13.27 Subdivision 1. **Development of plan required.** The Board of Trustees of the
 13.28 Minnesota State Colleges and Universities must develop a plan for offering an academic
 13.29 program for students with intellectual and developmental disabilities, consistent with the
 13.30 principles established in subdivisions 2 to 4.

13.31 Subd. 2. **Program locations.** The plan developed must assume the program will be
 13.32 offered at up to four college or university campuses chosen based on (1) their ability to

14.1 offer a robust program using existing facilities and resources and (2) a goal to provide the
14.2 program in diverse geographic regions of the state.

14.3 Subd. 3. **Enrollment and admission.** The plan developed must assume an
14.4 enrollment goal for each campus's program of at least ten incoming students per academic
14.5 year. The plan may allow for students to be admitted based on an application process
14.6 that includes an in-person interview; an independent assessment of an applicant's
14.7 interest, motivation, and likelihood of success in the program; and any other eligibility
14.8 requirements established by the board. Upon successful completion, a student must be
14.9 awarded a certificate, diploma, or other appropriate academic credential.

14.10 Subd. 4. **Curriculum and activities.** (a) The plan developed must assume a
14.11 program that provides an inclusive, two-year full-time residential college experience
14.12 for students with intellectual and developmental disabilities. The required curriculum
14.13 must include core courses that develop life skills, financial literacy, and the ability to
14.14 live independently; rigorous academic work in a student's chosen field of study; and an
14.15 internship, apprenticeship, or other skills-based experience to prepare for meaningful
14.16 employment upon completion of the program.

14.17 (b) In addition to academic requirements, the plan developed must allow
14.18 participating students the opportunity to engage fully in campus life. Program activities
14.19 must include but are not limited to (1) the establishment of on-campus mentoring and
14.20 peer support communities and (2) opportunities for personal growth through leadership
14.21 development and other community engagement activities.

14.22 (c) A participating campus may tailor its program curriculum and activities to
14.23 highlight academic programs, student and community life experiences, and employment
14.24 opportunities unique to that campus or the region of the state where the campus is located.

14.25 Subd. 5. **Report to legislature.** The board must submit a report on the plan required
14.26 to be developed by this section to the chairs and ranking minority members of the
14.27 committees of the legislature with jurisdiction over higher education finance and policy and
14.28 human services finance and policy no later than January 15, 2017. The report must describe
14.29 program plans, including strategies for recruitment of applicants, and strategies to address
14.30 anticipated program needs that cannot be filled using existing campus or system resources.

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

14.32 **ARTICLE 4**

14.33 **FETAL TISSUE RESEARCH**

14.34 **Section 1. [137.45] FETAL TISSUE RESEARCH PRACTICES.**

15.1 Subdivision 1. **Institutional review board; approval of research.** An individual
15.2 conducting research at the University of Minnesota must obtain approval from the
15.3 university's institutional review board or stem cell oversight committee before conducting
15.4 research using fetal tissue. The institutional review board or oversight committee must, in
15.5 its approval process, consider whether nonhuman tissue would be sufficient for the study.

15.6 Subd. 2. **Identification of fetal tissue available due to natural death.** The dean
15.7 of the university's medical school shall attempt to identify sources for procurement of
15.8 fetal tissues that are available due to the natural death of the fetus and are suitable for
15.9 use in academic research. The dean shall consider engaging an outside consultant to
15.10 attempt to identify such sources. When appropriate sources are identified, the dean must
15.11 make recommendations to the Board of Regents for updates to university policies and
15.12 procedures to encourage use of these sources in all university research activities where
15.13 fetal tissue is requested to be used. Sources that are identified shall be submitted to the
15.14 Association of American Medical Colleges.

15.15 Subd. 3. **Legislative report.** (a) No later than January 15, 2017, the Board of
15.16 Regents must submit a report to the legislature. The report must be submitted to the chairs
15.17 and ranking minority members of the committees of the legislature with jurisdiction over
15.18 higher education policy and finance and health and human services policy and finance
15.19 and must describe:

15.20 (1) all suitable sources for procurement of fetal tissue that are identified under
15.21 subdivision 2;

15.22 (2) any recommended updates to university policies and procedures after
15.23 identification of suitable sources under subdivision 2, and if so, whether those
15.24 recommended updates were adopted by the Board of Regents; and

15.25 (3) a list of:

15.26 (i) all approvals made in the previous year by an institutional review board or stem
15.27 cell oversight committee for the use of fetal tissue; and

15.28 (ii) all research continuing on fetal tissue from research that began in a previous year.

15.29 (b) The list provided under paragraph (a), clause (3), must identify, for each research
15.30 activity, the source of funding for the research; the goal or purpose of the research;
15.31 the source of the fetal tissue used in the research; references to any publicly available
15.32 information about the research, including but not limited to grant award information from
15.33 the National Institutes of Health; and references to any publications resulting from the
15.34 research.

15.35 Subd. 4. **Definition.** As used in this section and section 137.46, "fetal tissue" means
15.36 any part of an unborn child or fetus, including a body part, cell, tissue, or organ.

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

16.2 Sec. 2. **[137.46] INSTITUTIONAL REVIEW BOARD OVERSIGHT**
16.3 **ACTIVITIES.**

16.4 The Board of Regents shall:

16.5 (1) further develop and clarify existing university policies and procedures related
16.6 to the lawful and ethical treatment of human subjects and fetal tissue in research
16.7 activities, including enhancement of applicable penalties for violation of these policies
16.8 and procedures;

16.9 (2) institute a system of frequent, random, unannounced inspections and audits of
16.10 research activities involving fetal tissue to verify compliance with applicable federal and
16.11 state laws, university policies and procedures, and other professional standards related to
16.12 purchasing, handling, and disposing of fetal tissue;

16.13 (3) conduct education and outreach programs, including instituting a required
16.14 comprehensive training program, on applicable federal and state laws, university policies
16.15 and procedures, and other professional standards related to the respectful, humane, and
16.16 ethical treatment of human subjects and fetal tissue in research, for all students and
16.17 employees engaged in these activities; and

16.18 (4) establish an anonymous reporting system to receive complaints of activities that
16.19 may violate applicable federal and state laws, university policies and procedures, and
16.20 other professional standards in research involving human subjects and fetal tissue by the
16.21 university, university students or employees, or any other person engaged in research
16.22 activities in university facilities.

16.23 Sec. 3. **UNIVERSITY OF MINNESOTA FETAL TISSUE RESEARCH;**
16.24 **LEGISLATIVE AUDITOR REVIEW.**

16.25 (a) The legislative auditor is requested to complete a comprehensive review of
16.26 the use of fetal tissue in research activities at the University of Minnesota. The review
16.27 must include:

16.28 (1) the total number of research activities in which fetal tissue is currently or has been
16.29 previously used, including those that are in progress and those that have been completed;

16.30 (2) the cost of acquiring fetal tissues for use in research activities, itemized by the
16.31 source of funds used for procurement, including funds from federal, state, and other public
16.32 sources, and funds derived from student tuition and fees;

17.1 (3) the extent to which the conduct of the research activities complies with
 17.2 applicable federal and state laws related to acquisition, sale, handling, and disposition
 17.3 of human tissues, including fetal tissues;

17.4 (4) the extent to which the conduct of the research activities complies with
 17.5 applicable Board of Regents policies and procedures related to acquisition, sale, handling,
 17.6 and disposition of human tissues, including fetal tissues; and

17.7 (5) whether applicable Board of Regents policies include provisions to ensure fetal
 17.8 tissue is used in research activities only when necessary, and to ensure that the research
 17.9 activities are conducted in an ethical manner, including whether procedures and protocols
 17.10 for oversight have been implemented to verify compliance with these policies.

17.11 (b) As used in this section, "research activities" include any academic fetal tissue
 17.12 research or fetal tissue transplantation research activity or program conducted in a
 17.13 University of Minnesota facility, or that is supported, directly or indirectly, by University
 17.14 of Minnesota funds.

17.15 **EFFECTIVE DATE.** This section is effective the day following final enactment.
 17.16 The legislative auditor is requested to complete the review no later than 60 days following
 17.17 final enactment.

17.18 **ARTICLE 5**

17.19 **MONITORING OF PSYCHIATRIC DRUG TRIALS**

17.20 Section 1. Minnesota Statutes 2014, section 245.92, is amended to read:

17.21 **245.92 OFFICE OF OMBUDSMAN; CREATION; QUALIFICATIONS;** 17.22 **FUNCTION.**

17.23 The ombudsman for persons receiving services or treatment for mental illness,
 17.24 developmental disabilities, chemical dependency, or emotional disturbance shall promote
 17.25 the highest attainable standards of treatment, competence, efficiency, and justice. The
 17.26 ombudsman may gather information and data about decisions, acts, and other matters of an
 17.27 agency, facility, or program, and shall monitor the treatment of individuals participating in
 17.28 a University of Minnesota Department of Psychiatry clinical drug trial. The ombudsman
 17.29 is appointed by the governor, serves in the unclassified service, and may be removed only
 17.30 for just cause. The ombudsman must be selected without regard to political affiliation and
 17.31 must be a person who has knowledge and experience concerning the treatment, needs,
 17.32 and rights of clients, and who is highly competent and qualified. No person may serve as
 17.33 ombudsman while holding another public office.

18.1 Sec. 2. Minnesota Statutes 2014, section 245.94, is amended to read:

18.2 **245.94 POWERS OF OMBUDSMAN; REVIEWS AND EVALUATIONS;**
18.3 **RECOMMENDATIONS.**

18.4 Subdivision 1. **Powers.** (a) The ombudsman may prescribe the methods by which
18.5 complaints to the office are to be made, reviewed, and acted upon. The ombudsman may
18.6 not levy a complaint fee.

18.7 (b) The ombudsman may mediate or advocate on behalf of a client.

18.8 (c) The ombudsman may investigate the quality of services provided to clients and
18.9 determine the extent to which quality assurance mechanisms within state and county
18.10 government work to promote the health, safety, and welfare of clients, other than clients
18.11 in acute care facilities who are receiving services not paid for by public funds. The
18.12 ombudsman is a health oversight agency as defined in Code of Federal Regulations,
18.13 title 45, section 164.501.

18.14 (d) At the request of a client, or upon receiving a complaint or other information
18.15 affording reasonable grounds to believe that the rights of a client who is not capable
18.16 of requesting assistance have been adversely affected, the ombudsman may gather
18.17 information and data about and analyze, on behalf of the client, the actions of an agency,
18.18 facility, or program.

18.19 (e) The ombudsman may gather, on behalf of a client, records of an agency, facility,
18.20 or program, or records related to clinical drug trials from the University of Minnesota
18.21 Department of Psychiatry, if the records relate to a matter that is within the scope of the
18.22 ombudsman's authority. If the records are private and the client is capable of providing
18.23 consent, the ombudsman shall first obtain the client's consent. The ombudsman is
18.24 not required to obtain consent for access to private data on clients with developmental
18.25 disabilities. The ombudsman is not required to obtain consent for access to private data
18.26 on decedents who were receiving services for mental illness, developmental disabilities,
18.27 or emotional disturbance. All data collected, created, received, or maintained by the
18.28 ombudsman are governed by chapter 13 and other applicable law.

18.29 (f) Notwithstanding any law to the contrary, the ombudsman may subpoena a person
18.30 to appear, give testimony, or produce documents or other evidence that the ombudsman
18.31 considers relevant to a matter under inquiry. The ombudsman may petition the appropriate
18.32 court in Ramsey County to enforce the subpoena. A witness who is at a hearing or is part
18.33 of an investigation possesses the same privileges that a witness possesses in the courts or
18.34 under the law of this state. Data obtained from a person under this paragraph are private
18.35 data as defined in section 13.02, subdivision 12.

19.1 (g) The ombudsman may, at reasonable times in the course of conducting a review,
19.2 enter and view premises within the control of an agency, facility, or program.

19.3 (h) The ombudsman may attend Department of Human Services Review Board
19.4 and Special Review Board proceedings; proceedings regarding the transfer of patients
19.5 or residents, as defined in section 246.50, subdivisions 4 and 4a, between institutions
19.6 operated by the Department of Human Services; and, subject to the consent of the affected
19.7 client, other proceedings affecting the rights of clients. The ombudsman is not required to
19.8 obtain consent to attend meetings or proceedings and have access to private data on clients
19.9 with developmental disabilities.

19.10 (i) The ombudsman shall gather data of agencies, facilities, or programs classified
19.11 as private or confidential as defined in section 13.02, subdivisions 3 and 12, regarding
19.12 services provided to clients with developmental disabilities.

19.13 (j) To avoid duplication and preserve evidence, the ombudsman shall inform
19.14 relevant licensing or regulatory officials before undertaking a review of an action of
19.15 the facility or program.

19.16 (k) The ombudsman shall monitor the treatment of individuals participating in
19.17 a University of Minnesota Department of Psychiatry clinical drug trial and ensure that
19.18 all protections for human subjects required by federal law and the Institutional Review
19.19 Board are provided.

19.20 (l) Sections 245.91 to 245.97 are in addition to other provisions of law under which
19.21 any other remedy or right is provided.

19.22 Subd. 2. **Matters appropriate for review.** (a) In selecting matters for review by the
19.23 office, the ombudsman shall give particular attention to unusual deaths or injuries of a
19.24 client or reports of emergency use of manual restraint as identified in section 245D.061,
19.25 served by an agency, facility, or program, or actions of an agency, facility, or program that:

19.26 (1) may be contrary to law or rule;

19.27 (2) may be unreasonable, unfair, oppressive, or inconsistent with a policy or order of
19.28 an agency, facility, or program;

19.29 (3) may be mistaken in law or arbitrary in the ascertainment of facts;

19.30 (4) may be unclear or inadequately explained, when reasons should have been
19.31 revealed;

19.32 (5) may result in abuse or neglect of a person receiving treatment;

19.33 (6) may disregard the rights of a client or other individual served by an agency
19.34 or facility;

19.35 (7) may impede or promote independence, community integration, and productivity
19.36 for clients; or

20.1 (8) may impede or improve the monitoring or evaluation of services provided to
20.2 clients.

20.3 (b) The ombudsman shall, in selecting matters for review and in the course of the
20.4 review, avoid duplicating other investigations or regulatory efforts.

20.5 (c) The ombudsman shall give particular attention to the death or unusual injury of
20.6 any individual who is participating in a University of Minnesota Department of Psychiatry
20.7 clinical drug trial.

20.8 Subd. 2a. **Mandatory reporting.** Within 24 hours after a client suffers death or
20.9 serious injury, the agency, facility, ~~or~~ program director, or lead investigator of a clinical
20.10 drug trial at the University of Minnesota Department of Psychiatry shall notify the
20.11 ombudsman of the death or serious injury. The emergency use of manual restraint must
20.12 be reported to the ombudsman as required under section 245D.061, subdivision 8. The
20.13 ombudsman is authorized to receive identifying information about a deceased client
20.14 according to Code of Federal Regulations, title 42, section 2.15, paragraph (b).

20.15 Subd. 3. **Complaints.** (a) The ombudsman may receive a complaint from any
20.16 source concerning an action of an agency, facility, or program. After completing a review,
20.17 the ombudsman shall inform the complainant and the agency, facility, or program.
20.18 No client may be punished nor may the general condition of the client's treatment be
20.19 unfavorably altered as a result of an investigation, a complaint by the client, or by another
20.20 person on the client's behalf. An agency, facility, or program shall not retaliate or take
20.21 adverse action against a client or other person, who in good faith makes a complaint or
20.22 assists in an investigation. The ombudsman may classify as confidential, the identity of a
20.23 complainant, upon request of the complainant.

20.24 (b) The ombudsman shall receive a complaint from any source concerning an
20.25 action or inaction of the University of Minnesota Department of Psychiatry related
20.26 to an individual who is enrolled in a department-approved clinical drug trial. No
20.27 individual participating in the trial may be punished, nor may the general condition of
20.28 the individual's treatment be unfavorably altered, as a result of an investigation or a
20.29 complaint by the individual or the individual's advocate. The university shall not retaliate
20.30 or take adverse action against any person who in good faith makes a complaint or assists
20.31 in an investigation. The ombudsman may classify the identity of the complainant as
20.32 confidential, upon request of the complainant.

20.33 Subd. 4. **Recommendations to agency.** (a) If, after reviewing a complaint or
20.34 conducting an investigation and considering the response of an agency, facility, or
20.35 program and any other pertinent material, the ombudsman determines that the complaint

21.1 has merit or the investigation reveals a problem, the ombudsman may recommend that
21.2 the agency, facility, or program:

- 21.3 (1) consider the matter further;
- 21.4 (2) modify or cancel its actions;
- 21.5 (3) alter a rule, order, or internal policy;
- 21.6 (4) explain more fully the action in question; or
- 21.7 (5) take other action.

21.8 (b) At the ombudsman's request, the agency, facility, or program shall, within a
21.9 reasonable time, inform the ombudsman about the action taken on the recommendation
21.10 or the reasons for not complying with it.

21.11 Subd. 5. Recommendations to University of Minnesota. If, after reviewing a
21.12 complaint or conducting an investigation and considering the response of the clinical drug
21.13 trial's primary investigator or the Department of Psychiatry, the ombudsman determines
21.14 that the complaint has merit or the investigation reveals noncompliance with the federal
21.15 protection of human subjects requirements or the requirements of the Institutional Review
21.16 Board, the ombudsman shall recommend that the Board of Regents of the University of
21.17 Minnesota take corrective action to remedy the violations.

21.18 Sec. 3. Minnesota Statutes 2014, section 245.945, is amended to read:

21.19 **245.945 REIMBURSEMENT TO OMBUDSMAN FOR MENTAL HEALTH**
21.20 **AND DEVELOPMENTAL DISABILITIES.**

21.21 (a) The commissioner shall obtain federal financial participation for eligible activity
21.22 by the ombudsman for mental health and developmental disabilities. The ombudsman
21.23 shall maintain and transmit to the Department of Human Services documentation that is
21.24 necessary in order to obtain federal funds.

21.25 (b) The Board of Regents of the University of Minnesota shall reimburse the Office
21.26 of the Ombudsman for Mental Health and Developmental Disabilities for the oversight
21.27 costs incurred in monitoring participants in Department of Psychiatry clinical drug trials.
21.28 The ombudsman shall maintain and transmit documentation of costs incurred to the Board
21.29 of Regents of the University of Minnesota.

21.30 Sec. 4. Minnesota Statutes 2014, section 245.95, subdivision 1, is amended to read:

21.31 Subdivision 1. **Specific reports.** The ombudsman may send conclusions and
21.32 suggestions concerning any matter reviewed to the governor. Before making public a
21.33 conclusion or recommendation that expressly or implicitly criticizes an agency, facility,
21.34 program, or any person, the ombudsman shall consult with the governor and the agency,

22.1 facility, program, or person concerning the conclusion or recommendation. When sending
22.2 a conclusion or recommendation to the governor that is adverse to an agency, facility,
22.3 program, or any person, the ombudsman shall include any statement of reasonable length
22.4 made by that agency, facility, program, or person in defense or mitigation of the office's
22.5 conclusion or recommendation. For purposes of this subdivision, "agency, facility,
22.6 program, or any person" includes the University of Minnesota Department of Psychiatry
22.7 and its employees working in clinical drug trials.

22.8 Sec. 5. Minnesota Statutes 2014, section 245.97, subdivision 5, is amended to read:

22.9 Subd. 5. **Medical Review Subcommittee.** At least five members of the committee,
22.10 including at least three physicians, one of whom is a psychiatrist, must be designated by
22.11 the governor to serve as a Medical Review Subcommittee. Terms of service, vacancies,
22.12 and compensation are governed by subdivision 2. The governor shall designate one of
22.13 the members to serve as chair of the subcommittee. The Medical Review Subcommittee
22.14 may have access to private and confidential data collected or created by the ombudsman
22.15 that are necessary to fulfill the duties of the Medical Review Subcommittee under this
22.16 section and may:

22.17 (1) make a preliminary determination of whether the death of a client that has been
22.18 brought to its attention is unusual or reasonably appears to have resulted from causes other
22.19 than natural causes and warrants investigation;

22.20 (2) review the causes of and circumstances surrounding the death;

22.21 (3) request the county coroner or medical examiner to conduct an autopsy;

22.22 (4) assist an agency in its investigations of unusual deaths and deaths from causes
22.23 other than natural causes; ~~and~~

22.24 (5) make a preliminary determination of whether the death of a participant in a
22.25 clinical drug trial conducted by the University of Minnesota Department of Psychiatry
22.26 appears to have resulted from causes other than natural causes and warrants investigation
22.27 and reporting as required by federal laws on the protection of human subjects; and

22.28 (6) submit a report regarding the death of a client to the committee, the ombudsman,
22.29 the client's next-of-kin, and the facility where the death occurred and, where appropriate,
22.30 make recommendations to prevent recurrence of similar deaths to the head of each affected
22.31 agency or facility, or the Board of Regents of the University of Minnesota.

ARTICLE 6

COLLEGIATE RECOVERY PROGRAM

Section 1. [137.175] ROCHESTER CAMPUS; COLLEGIATE RECOVERY PROGRAM.

(a) The Board of Regents is requested to establish a collegiate recovery program on its Rochester campus. The purpose of the program must be to provide structured support for students in recovery from alcohol or chemical addiction or other addictive behaviors. Program activities may include, but are not limited to, specialized professional support through academic, career, and financial advising; establishment of on-campus or residential peer support communities; and opportunities for personal growth through leadership development and other community engagement activities.

(b) No later than January 1, 2020, the Board of Regents must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education finance and policy on campus recovery program outcomes, if the program is established. Based on available data, the report must describe, in summary form, the number of students participating in the program and the success rate of participants, including retention and graduation rates and long-term recovery and relapse rates.

Sec. 2. Laws 2015, chapter 69, article 1, section 5, subdivision 2, is amended to read:

Subd. 2. **Operations and Maintenance** 559,111,000 559,111,000

This appropriation includes funding for operation and maintenance of the system. Of the amount appropriated in this subdivision:

\$11,100,000 in fiscal year 2016 and \$11,100,000 in fiscal year 2017 are to minimize any increase in a student's cost of attendance; for research to solve the challenges facing our state, nation, and world; to educate a diverse population of Minnesotans from every community who show the greatest promise; and for public service that builds lasting partnerships with communities across the state to address our

24.1 most complex and pressing issues. The

24.2 Board of Regents is requested to:

24.3 (1) maintain a low cost of mission and

24.4 advance operational excellence;

24.5 (2) increase the diversity of the university's

24.6 students, faculty, and staff; and

24.7 (3) strengthen the university's relationships

24.8 with the agriculture industry and the

24.9 communities of greater Minnesota.

24.10 \$15,000,000 in fiscal year 2016 and

24.11 \$15,000,000 in fiscal year 2017 are to:

24.12 (1) increase the medical school's research

24.13 capacity;

24.14 (2) improve the medical school's ranking in

24.15 National Institutes of Health funding;

24.16 (3) ensure the medical school's national

24.17 prominence by attracting and retaining

24.18 world-class faculty, staff, and students;

24.19 (4) invest in physician training programs in

24.20 rural and underserved communities; and

24.21 (5) translate the medical school's research

24.22 discoveries into new treatments and cures to

24.23 improve the health of Minnesotans.

24.24 The Board of Regents is requested to

24.25 consider hiring additional faculty to conduct

24.26 research related to regenerative medicine.

24.27 \$257,200 in fiscal year 2017 is for design

24.28 and implementation of a collegiate recovery

24.29 program on the University of Minnesota,

24.30 Rochester campus consistent with Minnesota

24.31 Statutes, section 137.175. This is a onetime

24.32 appropriation and is available until June

24.33 30, 2019. Beginning in fiscal year 2020,

25.1 \$179,000 is added to the base to support
25.2 operation and growth of the program.

25.3 Five percent of the fiscal year 2017
25.4 appropriation specified in this subdivision
25.5 is available according to the schedule in
25.6 clauses (1) to (5) in fiscal year 2017 when
25.7 the Board of Regents of the University of
25.8 Minnesota demonstrates to the commissioner
25.9 of management and budget that the board
25.10 has met the following specified number of
25.11 performance goals:

25.12 (1) 100 percent if the board meets three, four,
25.13 or five goals;

25.14 (2) 67 percent if two of the goals are met;

25.15 (3) 33 percent if one of the goals are met; and

25.16 (4) zero percent if none of the goals are met.

25.17 The performance goals are:

25.18 (1) increase by at least one percent
25.19 the four-year, five-year, or six-year
25.20 undergraduate graduation rates, averaged
25.21 over three years, for students of color
25.22 systemwide at the University of Minnesota
25.23 reported in fall 2016 over fall 2014. The
25.24 average rate for fall 2014 is calculated with
25.25 the graduation rates reported in fall 2012,
25.26 2013, and 2014;

25.27 (2) increase by at least two percent the
25.28 total number of undergraduate STEM
25.29 degrees, averaged over three years, conferred
25.30 systemwide by the University of Minnesota
25.31 reported in fiscal year 2016 over fiscal year
25.32 2014. The averaged number for fiscal year
25.33 2014 is calculated with the fiscal year 2012,
25.34 2013, and 2014 numbers;

26.1 (3) increase by at least one percent the
26.2 four-year undergraduate graduation rate at
26.3 the University of Minnesota reported in fall
26.4 2016 over fall 2014. The average rate for
26.5 fall 2014 is calculated with the graduation
26.6 rates reported in fall 2012, 2013, and 2014.
26.7 The averaged number for fiscal year 2014 is
26.8 calculated with the fiscal year 2012, 2013,
26.9 and 2014 numbers;

26.10 (4) for fiscal year 2016, reallocate
26.11 \$15,000,000 of administrative costs. The
26.12 Board of Regents is requested to redirect
26.13 those funds to invest in direct mission
26.14 activities, stem growth in cost of attendance,
26.15 and to programs that benefit students; and

26.16 (5) increase licensing disclosures by three
26.17 percent for fiscal year 2016 over fiscal year
26.18 2015.

26.19 By August 1, 2015, the Board of Regents and
26.20 the Office of Higher Education must agree on
26.21 specific numerical indicators and definitions
26.22 for each of the five goals that will be used to
26.23 demonstrate the University of Minnesota's
26.24 attainment of each goal. On or before April
26.25 1, 2016, the Board of Regents must report
26.26 to the legislative committees with primary
26.27 jurisdiction over higher education finance
26.28 and policy the progress of the University of
26.29 Minnesota toward attaining the goals. The
26.30 appropriation base for the next biennium shall
26.31 include appropriations not made available
26.32 under this subdivision for failure to meet
26.33 performance goals. All of the appropriation
26.34 that is not available due to failure to meet
26.35 performance goals is appropriated to the

27.1 commissioner of the Office of Higher
27.2 Education for fiscal year 2017 for the purpose
27.3 of the state grant program under Minnesota
27.4 Statutes, section 136A.121.
27.5 Performance metrics are intended to facilitate
27.6 progress towards the attainment goal under
27.7 Minnesota Statutes, section 135A.012.
27.8 Beginning in fiscal year 2018, the operations
27.9 and maintenance base appropriation is
27.10 \$559,111,000.

27.11 ARTICLE 7

27.12 GENERAL EDUCATION

27.13 Section 1. Minnesota Statutes 2014, section 123A.24, subdivision 2, is amended to read:

27.14 Subd. 2. **Cooperative unit defined.** For the purposes of this section, a cooperative
27.15 unit is:

27.16 (1) an education district organized under sections 123A.15 to 123A.19;

27.17 (2) a cooperative vocational center organized under section 123A.22;

27.18 (3) an intermediate district organized under chapter 136D;

27.19 (4) a service cooperative organized under section 123A.21; ~~or~~

27.20 (5) a regional management information center organized under section 123A.23 or
27.21 as a joint powers district according to section 471.59; or

27.22 (6) a special education cooperative organized under section 471.59.

27.23 Sec. 2. Minnesota Statutes 2014, section 124D.111, is amended by adding a
27.24 subdivision to read:

27.25 Subd. 2a. **Federal child and adult care food program; financial viability.** (a) A
27.26 nonprofit organization with fewer than three years of experience and performance data
27.27 that is applying for approval as a multisite sponsoring organization under the federal child
27.28 and adult care food program may demonstrate its financial viability by submitting to the
27.29 commissioner a written statement from a certified public accountant indicating, based on
27.30 generally accepted accounting principles, that the nonprofit organization has the financial
27.31 resources needed to sponsor the program on a daily basis and to withstand temporary
27.32 interruptions in program payments. The statement from a certified public accountant
27.33 satisfies the requirement for a nonprofit organization to demonstrate its financial viability

28.1 under the federal child and adult care food program in Minnesota. Consistent with
28.2 this paragraph, the commissioner must post on the department's Web site criteria for
28.3 interested nonprofit organizations, those with fewer than three years of experience and
28.4 performance data, and those with three or more years of experience and performance data,
28.5 to demonstrate financial viability for the Minnesota program.

28.6 (b) The commissioner must use an expedited process to reconsider any application
28.7 by a nonprofit organization under paragraph (a) applying for approval as a multisite
28.8 sponsoring organization under the federal child and adult care food program submitted to
28.9 the commissioner after July 1, 2015, if the commissioner denied the application, in whole
28.10 or in part, based upon the applicant's inability to demonstrate financial viability.

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

28.12 Sec. 3. Minnesota Statutes 2015 Supplement, section 126C.10, subdivision 1, is
28.13 amended to read:

28.14 Subdivision 1. **General education revenue.** (a) Notwithstanding any law to the
28.15 contrary, a school board in any school year may adopt a resolution declaring an urgent
28.16 educational need for that school year and resolve to reallocate the district's general
28.17 education revenue under this section to provide more effective education programs and
28.18 services designed to improve the educational outcomes of all students enrolled in the
28.19 district. A board action under this paragraph must not increase state aid obligations to
28.20 the district, result in additional property tax authority for the district, or interfere with
28.21 federally mandated laws or state or federal court orders.

28.22 (b) The general education revenue for each district equals the sum of the district's
28.23 basic revenue, extended time revenue, gifted and talented revenue, declining enrollment
28.24 revenue, local optional revenue, small schools revenue, basic skills revenue, secondary
28.25 sparsity revenue, elementary sparsity revenue, transportation sparsity revenue, total
28.26 operating capital revenue, equity revenue, pension adjustment revenue, and transition
28.27 revenue.

28.28 **EFFECTIVE DATE.** This section is effective July 1, 2016.

28.29 Sec. 4. Minnesota Statutes 2014, section 126C.10, subdivision 2e, is amended to read:

28.30 Subd. 2e. **Local optional revenue.** (a) Local optional revenue for a school district
28.31 with a board-approved plan equals \$424 times the adjusted pupil units of the district
28.32 for that school year.

29.1 (b) A district's local optional levy equals its local optional revenue times the lesser
 29.2 of one or the ratio of its referendum market value per resident pupil unit to \$510,000.
 29.3 The local optional revenue levy must be spread on referendum market value. A district
 29.4 may levy less than the permitted amount.

29.5 (c) A district's local optional aid equals its local optional revenue less its local
 29.6 optional levy, times the ratio of the actual amount levied to the permitted levy.

29.7 (d) Beginning with revenue for the 2017-2018 school year, a school district is
 29.8 eligible for local optional revenue under this subdivision only after the school board has
 29.9 asked for public testimony and adopted a written plan describing the proposed uses of
 29.10 the local optional revenue. A board-approved plan may be in place for no more than five
 29.11 fiscal years, after which time a new plan must be adopted.

29.12 Sec. 5. Minnesota Statutes 2015 Supplement, section 126C.10, subdivision 13a,
 29.13 is amended to read:

29.14 Subd. 13a. **Operating capital levy.** To obtain operating capital revenue, a district
 29.15 may levy an amount not more than the product of its operating capital revenue for the
 29.16 fiscal year times the lesser of one or the ratio of its adjusted net tax capacity per adjusted
 29.17 pupil unit to the operating capital equalizing factor. The operating capital equalizing factor
 29.18 equals ~~\$14,500 for fiscal years 2015 and 2016, \$14,740 for fiscal year 2017, \$17,473~~
 29.19 \$17,495 for fiscal year 2018, and \$20,510 \$20,532 for fiscal year 2019 and later.

29.20 Sec. 6. Minnesota Statutes 2014, section 126C.10, subdivision 24, is amended to read:

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

29.22 (1) the school district's adjusted pupil unit amount of basic revenue, transition
 29.23 revenue, and referendum revenue is less than the value of the school district at or
 29.24 immediately above the 95th percentile of school districts in its equity region for those
 29.25 revenue categories; and

29.26 (2) the school district's administrative offices are not located in a city of the first
 29.27 class on July 1, 1999.

29.28 (b) Equity revenue for a qualifying district that receives referendum revenue under
 29.29 section 126C.17, subdivision 4, equals the product of (1) the district's adjusted pupil
 29.30 units for that year; times (2) the sum of (i) \$14, plus (ii) \$80, times the school district's
 29.31 equity index computed under subdivision 27.

29.32 (c) Equity revenue for a qualifying district that does not receive referendum revenue
 29.33 under section 126C.17, subdivision 4, equals the product of the district's adjusted pupil
 29.34 units for that year times \$14.

30.1 (d) A school district's equity revenue is increased by the greater of zero or an amount
30.2 equal to the district's adjusted pupil units times the difference between ten percent of the
30.3 statewide average amount of referendum revenue per adjusted pupil unit for that year and
30.4 the district's referendum revenue per adjusted pupil unit. A school district's revenue under
30.5 this paragraph must not exceed \$100,000 for that year.

30.6 (e) A school district's equity revenue ~~for a school district located in the metro equity~~
30.7 ~~region~~ equals the amount computed in paragraphs (b), (c), and (d) multiplied by 1.25.
30.8 Beginning in fiscal year 2018, a district's equity revenue adjustment under this paragraph
30.9 is available only after the school board has adopted a written resolution authorizing the
30.10 equity revenue adjustment. The resolution must be adopted at a board meeting after the
30.11 public has been given an opportunity to speak on the resolution. A resolution adopted
30.12 under this subdivision may authorize the revenue adjustment for up to five years, and the
30.13 board may subsequently reauthorize the revenue in increments of up to five years.

30.14 (f) A school district's additional equity revenue equals \$50 times its adjusted pupil
30.15 units.

30.16 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2017
30.17 and later.

30.18 Sec. 7. Minnesota Statutes 2015 Supplement, section 126C.15, subdivision 1, is
30.19 amended to read:

30.20 Subdivision 1. **Use of revenue.** The basic skills revenue under section 126C.10,
30.21 subdivision 4, must be reserved and used to meet the educational needs of pupils who
30.22 enroll under-prepared to learn and whose progress toward meeting state or local content
30.23 or performance standards is below the level that is appropriate for learners of their age.
30.24 Basic skills revenue may also be used for programs designed to prepare children and their
30.25 families for entry into school whether the student first enrolls in kindergarten or first grade.
30.26 Any of the following may be provided to meet these learners' needs:

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

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

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

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

31.4 (5) recruitment and new teacher development activities through quality mentor-led
31.5 induction or "grow your own" initiatives;

31.6 (6) a hiring bonus or other added compensation for a teacher identified as effective
31.7 or highly effective under the local teacher professional review cycle who agrees to work
31.8 in a hard-to-fill position or hard-to-staff school setting such as a school with a majority
31.9 of students whose families meet federal poverty guidelines, a geographically isolated
31.10 school, or a school identified by the state as eligible for targeted programs or services
31.11 for its students;

31.12 ~~(5)~~ (7) comprehensive and ongoing staff development consistent with district and
31.13 site plans according to section 122A.60 and to implement plans under section 120B.12,
31.14 subdivision 4a, for teachers, teacher aides, principals, and other personnel to improve
31.15 their ability to identify the needs of these learners and provide appropriate remediation,
31.16 intervention, accommodations, or modifications;

31.17 ~~(6)~~ (8) instructional materials, digital learning, and technology appropriate for
31.18 meeting the individual needs of these learners;

31.19 ~~(7)~~ (9) programs to reduce truancy, encourage completion of high school, enhance
31.20 self-concept, provide health services, provide nutrition services, provide a safe and secure
31.21 learning environment, provide coordination for pupils receiving services from other
31.22 governmental agencies, provide psychological services to determine the level of social,
31.23 emotional, cognitive, and intellectual development, and provide counseling services,
31.24 guidance services, and social work services;

31.25 ~~(8)~~ (10) bilingual programs, bicultural programs, and programs for English learners;

31.26 ~~(9) all-day kindergarten;~~

31.27 ~~(10)~~ (11) early education programs, parent-training programs, school readiness
31.28 programs, kindergarten programs for four-year-olds, voluntary home visits under section
31.29 124D.13, subdivision 4, and other outreach efforts designed to prepare children for
31.30 kindergarten;

31.31 ~~(11)~~ (12) extended school day and extended school year programs, including
31.32 summer academies; and

31.33 ~~(12)~~ (13) substantial parent involvement in developing and implementing remedial
31.34 education or intervention plans for a learner, including learning contracts between the
31.35 school, the learner, and the parent that establish achievement goals and responsibilities of
31.36 the learner and the learner's parent or guardian.

32.1 **EFFECTIVE DATE.** This section is effective for fiscal year 2017 and later.

32.2 Sec. 8. Minnesota Statutes 2015 Supplement, section 126C.15, subdivision 2, is
32.3 amended to read:

32.4 Subd. 2. **Building allocation.** (a) Unless a plan has been adopted according to
32.5 paragraph (b), a district or cooperative must allocate its compensatory revenue to each
32.6 school building in the district or cooperative where the children who have generated the
32.7 revenue are served ~~unless the school district or cooperative has received permission under~~
32.8 ~~Laws 2005, First Special Session chapter 5, article 1, section 50, to allocate compensatory~~
32.9 ~~revenue according to student performance measures developed by the school board.~~

32.10 (b) Notwithstanding paragraph (a), the board of a district or cooperative may allocate
32.11 up to 50 percent of the amount of reallocate any or all of its compensatory revenue that
32.12 ~~the district receives to school sites~~ according to a plan adopted by the school board.
32.13 The money reallocated under this paragraph must be spent for the purposes listed in
32.14 subdivision 1, but may be spent on students in any grade, including students attending
32.15 school readiness or other prekindergarten programs.

32.16 (c) For the purposes of this section and section 126C.05, subdivision 3, "building"
32.17 means education site as defined in section 123B.04, subdivision 1.

32.18 (d) Notwithstanding section 123A.26, subdivision 1, compensatory revenue
32.19 generated by students served at a cooperative unit shall be paid to the cooperative unit.

32.20 (e) A district or cooperative with school building openings, school building
32.21 closings, changes in attendance area boundaries, or other changes in programs or student
32.22 demographics between the prior year and the current year may reallocate compensatory
32.23 revenue among sites to reflect these changes. A district or cooperative must report to the
32.24 department any adjustments it makes according to this paragraph and the department must
32.25 use the adjusted compensatory revenue allocations in preparing the report required under
32.26 section 123B.76, subdivision 3, paragraph (c).

32.27 **EFFECTIVE DATE.** This section is effective for fiscal year 2017 and later.

32.28 Sec. 9. Minnesota Statutes 2014, section 126C.15, subdivision 3, is amended to read:

32.29 Subd. 3. **Recommendation.** A school site decision-making team, as defined in
32.30 section 123B.04, subdivision 2, paragraph (a), or the instruction and curriculum advisory
32.31 committee under section 120B.11, if the school has no school site decision team, ~~shall~~ may
32.32 recommend to the school board how the compensatory education revenue will be used to
32.33 carry out the purpose of this section. A school district that has received permission under
32.34 Laws 2005, First Special Session chapter 5, article 1, section 50, to allocate compensatory

33.1 revenue according to school performance measures shall share its plan for the distribution
33.2 of compensatory revenue with the school site decision team.

33.3 **EFFECTIVE DATE.** This section is effective July 1, 2016.

33.4 Sec. 10. Minnesota Statutes 2014, section 126C.17, subdivision 9a, is amended to read:

33.5 Subd. 9a. **Board-approved referendum allowance.** Notwithstanding subdivision
33.6 9, a school district may convert up to \$300 per adjusted pupil unit of referendum authority
33.7 from voter approved to board approved by a board vote. A district with less than \$300 per
33.8 adjusted pupil unit of referendum authority after the local optional revenue subtraction
33.9 under subdivision 1 may authorize new referendum authority up to the difference between
33.10 \$300 per adjusted pupil unit and the district's referendum authority. The board may
33.11 authorize this levy for up to five years ~~and~~. The board may subsequently reauthorize that
33.12 authority in increments of up to only after allowing public testimony on the authority and
33.13 adopting a written resolution extending the authority for a specified number of years,
33.14 not to exceed five years.

33.15 **EFFECTIVE DATE.** This section is effective for authority approved by the board
33.16 on or after July 1, 2016.

33.17 Sec. 11. Minnesota Statutes 2014, section 127A.353, subdivision 4, is amended to read:

33.18 Subd. 4. **Duties; powers.** (a) The school trust lands director shall:
33.19 (1) take an oath of office before assuming any duties as the director;
33.20 (2) evaluate the school trust land asset position;
33.21 (3) determine the estimated current and potential market value of school trust lands;
33.22 (4) advise the governor, Executive Council, commissioner of natural resources,
33.23 and the Legislative Permanent School Fund Commission on the management of school
33.24 trust lands, including:
33.25 (i) Department of Natural Resources school trust land management plans;
33.26 (ii) leases of school trust lands;
33.27 (iii) royalty agreements on school trust lands;
33.28 (iv) land sales and exchanges;
33.29 (v) cost certification; and
33.30 (vi) revenue generating options;
33.31 (5) propose to the Legislative Permanent School Fund Commission legislative
33.32 changes that will improve the asset allocation of the school trust lands;

34.1 (6) develop a ten-year strategic plan and a 25-year framework for management of
 34.2 school trust lands, in conjunction with the commissioner of natural resources, that is
 34.3 updated every five years and implemented by the commissioner, with goals to:

34.4 (i) retain core real estate assets;

34.5 (ii) increase the value of the real estate assets and the cash flow from those assets;

34.6 (iii) rebalance the portfolio in assets with high performance potential and the
 34.7 strategic disposal of selected assets;

34.8 (iv) establish priorities for management actions; and

34.9 (v) balance revenue enhancement and resource stewardship;

34.10 (7) submit to the Legislative Permanent School Fund Commission for review an
 34.11 annual budget and management plan for the director; and

34.12 (8) keep the beneficiaries, governor, legislature, and the public informed about the
 34.13 work of the director by reporting to the Legislative Permanent School Fund Commission
 34.14 in a public meeting at least once during each calendar quarter.

34.15 (b) In carrying out the duties under paragraph (a), the school trust lands director
 34.16 shall have the authority to:

34.17 (1) direct and control money appropriated to the director;

34.18 (2) establish job descriptions and employ up to five employees in the unclassified
 34.19 service, within the limitations of money appropriated to the director;

34.20 (3) enter into interdepartmental agreements with any other state agency; ~~and~~

34.21 (4) enter into joint powers agreements under chapter 471;

34.22 (5) evaluate and initiate real estate development projects on school trust lands with
 34.23 the advice of the Legislative Permanent School Fund Commission in order to generate
 34.24 long-term economic return to the permanent school fund; and

34.25 ~~(4)~~ (6) submit recommendations on strategies for school trust land leases, sales, or
 34.26 exchanges to the commissioner of natural resources and the Legislative Permanent School
 34.27 Fund Commission.

34.28 **EFFECTIVE DATE.** This section is effective July 1, 2016.

34.29 Sec. 12. Minnesota Statutes 2014, section 127A.51, is amended to read:

34.30 **127A.51 STATEWIDE AVERAGE REVENUE.**

34.31 By ~~October~~ December 1 of each year the commissioner must estimate the statewide
 34.32 average adjusted general revenue per adjusted pupil unit and the disparity in adjusted
 34.33 general revenue among pupils and districts by computing the ratio of the 95th percentile

35.1 to the fifth percentile of adjusted general revenue. The commissioner must provide that
35.2 information to all districts.

35.3 If the disparity in adjusted general revenue as measured by the ratio of the 95th
35.4 percentile to the fifth percentile increases in any year, the commissioner shall recommend
35.5 to the legislature options for change in the general education formula that will limit the
35.6 disparity in adjusted general revenue to no more than the disparity for the previous
35.7 school year. The commissioner must submit the recommended options to the education
35.8 committees of the legislature by ~~January 15~~ February 1.

35.9 For purposes of this section and section 126C.10, adjusted general revenue means
35.10 the sum of basic revenue under section 126C.10, subdivision 2; referendum revenue under
35.11 section 126C.17; local optional revenue under section 126C.10, subdivision 2e; and equity
35.12 revenue under section 126C.10, subdivisions 24a and 24b.

35.13 Sec. 13. Laws 2013, chapter 116, article 7, section 19, as amended by Laws 2015, First
35.14 Special Session chapter 3, article 7, section 6, is amended to read:

35.15 Sec. 19. ~~FUND OR ACCOUNT TRANSFER; FISCAL YEAR 2014 THROUGH~~
35.16 ~~FISCAL YEAR 2017 ONLY.~~

35.17 (a) Notwithstanding Minnesota Statutes, section 123B.80, subdivision 3, for fiscal
35.18 year 2014 ~~through fiscal year 2017 only and later~~, the commissioner must approve a
35.19 request for a fund or account transfer if the transfer does not increase state aid obligations
35.20 to the district or result in additional property tax authority for the district. This section
35.21 does not permit transfers from the community service fund, the food service fund, or the
35.22 reserved account for staff development under section 122A.61.

35.23 (b) A school board may approve a fund or account transfer under paragraph (a)
35.24 only after adopting a resolution stating the fund or account transfer will not diminish
35.25 instructional opportunities for students.

35.26 EFFECTIVE DATE. This section is effective July 1, 2016.

35.27 Sec. 14. Laws 2015, First Special Session chapter 3, article 1, section 27, subdivision
35.28 2, is amended to read:

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

35.31		6,624,310,000		
35.32	\$	<u>6,649,435,000</u>	.....	2016
35.33		6,761,574,000		
35.34	\$	<u>6,794,192,000</u>	.....	2017

36.1 The 2016 appropriation includes \$622,908,000 for 2015 and ~~\$6,001,405,000~~
36.2 \$6,026,527,000 for 2016.

36.3 The 2017 appropriation includes ~~\$638,812,000~~ \$641,412,000 for 2016 and
36.4 ~~\$6,122,762,000~~ \$6,152,780,000 for 2017.

36.5 Sec. 15. **VOLUNTARY BOUNDARY ALIGNMENT; MOORHEAD AND**
36.6 **DILWORTH-GLYNDON-FELTON.**

36.7 Subdivision 1. **Boundary realignment allowed.** The school boards of Independent
36.8 School Districts Nos. 152, Moorhead, and 2164, Dilworth-Glyndon-Felton, may realign
36.9 their shared district boundaries according to the provisions of this section.

36.10 Subd. 2. **Plan to establish new boundaries.** (a) The school boards of Independent
36.11 School Districts Nos. 152, Moorhead, and 2164, Dilworth-Glyndon-Felton, may jointly
36.12 develop a plan to realign their shared school district boundaries over a period of years.

36.13 (b) The plan must specify and identify each group of parcels that will be transferred
36.14 and the method used to determine the year during which each set of parcels is transferred.
36.15 The method of transfer may include an analysis of the relative tax base of the parcels to
36.16 be transferred and may make the transfers of parcels effective upon the relationship in
36.17 relative tax bases.

36.18 (c) The written plan must be adopted by each school board after the board has
36.19 allowed public testimony on the plan.

36.20 (d) The plan must be filed with both the county auditor and the commissioner of
36.21 education.

36.22 (e) After adopting the plan, each school board must publish notice of the plan
36.23 realigning district boundaries. The notice must include a general description of the area
36.24 that will be affected by the proposed boundary alignment and the method by which the
36.25 boundaries will be realigned. The notice must also be mailed to each property owner of
36.26 record in the area proposed for realignment.

36.27 Subd. 3. **Bonded debt.** As of the effective date of each exchange of parcels between
36.28 the two school districts, for the next and subsequent tax years, the taxable property in the
36.29 newly aligned parcel is taxable for a portion of the bonded debt of the school district to
36.30 which the property is attached and is not taxable for the bonded debt from the school
36.31 district from which the property is detached.

36.32 Subd. 4. **County auditor notified.** After adoption of the plan, each school board
36.33 must provide a copy of the plan to the county auditor. The county auditor may request
36.34 any other necessary information from the school districts to affect the transfer of parcels
36.35 between the school districts. Each year, the school districts must notify the county auditor

37.1 of what block of parcels, if any, will be transferred between the two school districts. The
37.2 county auditor must notify each affected property owner of the boundary change.

37.3 Subd. 5. **Report to Department of Education.** Upon adoption of the plan, the
37.4 school boards must submit a copy of the plan to the Department of Education. The districts
37.5 must also provide any additional information necessary for computing school aids and
37.6 levies to the Department of Education in the form and manner requested by the department.

37.7 **EFFECTIVE DATE.** This section is effective the day after the school boards of
37.8 Independent School Districts Nos. 152, Moorhead, and 2164, Dilworth-Glyndon-Felton,
37.9 and their respective chief clerical officers timely comply with Minnesota Statutes, section
37.10 645.021, subdivisions 2 and 3.

37.11 Sec. 16. **GLENVILLE-EMMONS SCHOOL DISTRICT; OPERATING**
37.12 **REFERENDUM ADJUSTMENT.**

37.13 Subdivision 1. **Year first effective.** Notwithstanding any law to the contrary, the
37.14 operating referendum approved by the voters of Independent School District No. 2886,
37.15 Glenville-Emmons, in April 2015, is first effective for fiscal year 2017 and may run for
37.16 the number of years stated on the ballot. The total referendum authority for fiscal year
37.17 2017, including any board-approved authority, may not exceed the amount approved
37.18 by the voters.

37.19 Subd. 2. **Documentation and process.** The board of Independent School District
37.20 No. 2886, Glenville-Emmons, must submit to the commissioner of education the following:

37.21 (1) a unanimously adopted written resolution of the board at a public meeting
37.22 authorizing the operating referendum to begin in fiscal year 2017;

37.23 (2) documentation showing that the district's approved plan to eliminate its statutory
37.24 operating debt is being followed; and

37.25 (3) any other information requested by the commissioner.

37.26 Subd. 3. **Levy adjustment.** Independent School District No. 2886,
37.27 Glenville-Emmons, may certify the levy to accompany the fiscal year 2017 operating
37.28 referendum over a three-year period beginning with taxes payable in 2017.

37.29 Sec. 17. **EQUITY AID; FISCAL YEAR 2017.**

37.30 For fiscal year 2017 only, the entire amount of the equity revenue adjustment under
37.31 section 6 is paid through state aid.

37.32 Sec. 18. **REPORT ON POSTSECONDARY ENROLLMENT OPTIONS**
37.33 **PROGRAM.**

38.1 The commissioner of education must include in its 2017 report to the legislature
38.2 on dual credit programs the number of students participating in early middle college
38.3 programs and the number of English language learners participating in each type of dual
38.4 enrollment program. The commissioner must also include recommendations about how to
38.5 expand participation in early middle college programs for English language learners.

38.6 Sec. 19. **REVISOR'S INSTRUCTION.**

38.7 The revisor of statutes shall codify section 13 in Minnesota Statutes, section
38.8 123B.79, consistent with other limitations on school district fund and account transfers
38.9 and appropriately revise any statutory cross-reference consistent with that recoding.

38.10 **ARTICLE 8**

38.11 **EDUCATION EXCELLENCE**

38.12 Section 1. **[119A.035] SCHOOL CRISIS RESPONSE TEAMS.**

38.13 Subdivision 1. **Commissioner's duties.** To ensure timely responses to school crises,
38.14 the commissioner must work in cooperation with the Minnesota School Safety Center to
38.15 collect, maintain, and make available to schools contact information for crisis response
38.16 teams throughout the state.

38.17 Subd. 2. **Crisis response teams.** In regions of Minnesota where an existing crisis
38.18 response team has not been formed by a school district, county, or city, the commissioner,
38.19 in cooperation with the Minnesota School Safety Center, must convene a working group
38.20 in each region to develop a plan to form a crisis response team for that region. Team
38.21 members from the public and private sectors may represent various disciplines, including
38.22 school administrators, guidance counselors, psychologists, social workers, teachers,
38.23 nurses, security experts, media relations professionals, and other related areas.

38.24 Sec. 2. Minnesota Statutes 2014, section 120A.22, subdivision 12, is amended to read:

38.25 Subd. 12. **Legitimate exemptions.** (a) A parent, guardian, or other person having
38.26 control of a child may apply to a school district to have the child excused from ~~attendanee~~
38.27 attending for the whole or any part of the time school is in session or participating in a
38.28 physical education class during any school year. Application may be made to any member
38.29 of the board, a truant officer, a principal, or the superintendent. The school district may
38.30 state in its school attendance policy that it may ask the student's parent or legal guardian to
38.31 verify in writing the reason for the child's absence from school or not participating in a
38.32 physical education class. A note from a physician or a licensed mental health professional
38.33 stating that the child cannot attend school or participate in a physical education class

39.1 is a valid excuse. The board of the district in which the child resides may approve the
 39.2 application upon the following being demonstrated to the satisfaction of that board:

39.3 (1) that the child's physical or mental health is such as to prevent ~~attendance at~~
 39.4 attending school or participating in a physical education class or application applying to
 39.5 study for the period required, which includes:

39.6 (i) child illness, medical, dental, orthodontic, or counseling appointments;

39.7 (ii) family emergencies;

39.8 (iii) the death or serious illness or funeral of an immediate family member;

39.9 (iv) active duty in any military branch of the United States;

39.10 (v) the child has a condition that requires ongoing treatment for a mental health
 39.11 diagnosis; or

39.12 (vi) other exemptions included in the district's school attendance policy;

39.13 (2) that the child has already completed state and district standards required for
 39.14 graduation from high school; or

39.15 (3) that it is the wish of the parent, guardian, or other person having control of the
 39.16 child, that the child attend for a period or periods not exceeding in the aggregate three
 39.17 hours in any week, a school for religious instruction conducted and maintained by some
 39.18 church, or association of churches, or any Sunday school association incorporated under
 39.19 the laws of this state, or any auxiliary thereof. This school for religious instruction must
 39.20 be conducted and maintained in a place other than a public school building, and it must
 39.21 not, in whole or in part, be conducted and maintained at public expense. However, a child
 39.22 may be absent from school on such days as the child attends upon instruction according to
 39.23 the ordinances of some church.

39.24 (b) Notwithstanding subdivision 6, paragraph (a), a parent may withdraw a child
 39.25 from an all-day, every day kindergarten program and put their child in a half-day program,
 39.26 if offered, or an alternate-day program without being truant. A school board must excuse a
 39.27 kindergarten child from a part of a school day at the request of the child's parent.

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

39.29 Sec. 3. Minnesota Statutes 2014, section 120A.42, is amended to read:

39.30 **120A.42 CONDUCT OF SCHOOL ON CERTAIN HOLIDAYS.**

39.31 (a) The governing body of any district may contract with any of the teachers of the
 39.32 district for the conduct of schools, and may conduct schools, on either, or any, of the
 39.33 following holidays, provided that a clause to this effect is inserted in the teacher's contract:
 39.34 Martin Luther King's birthday, Lincoln's and Washington's birthdays, Columbus Day

40.1 and Veterans' Day. On Martin Luther King's birthday, Washington's birthday, Lincoln's
40.2 birthday, and Veterans' Day at least one hour of the school program must be devoted to a
40.3 patriotic observance of the day.

40.4 (b) A district may conduct a school program to honor Constitution Day and
40.5 Citizenship Day by providing opportunities for students to learn about the principles of
40.6 American democracy, the American system of government, American citizens' rights and
40.7 responsibilities, American history, and American geography, symbols, and holidays.
40.8 Among other activities under this paragraph, districts may administer to students the test
40.9 questions United States Citizenship and Immigration Services officers pose to applicants
40.10 for naturalization and may formally recognize students who are able to answer 80 or
40.11 more of the 100 questions correctly.

40.12 **EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and
40.13 later.

40.14 Sec. 4. Minnesota Statutes 2014, section 120B.02, is amended by adding a subdivision
40.15 to read:

40.16 Subd. 3. **Required knowledge and understanding of civics.** (a) For purposes of
40.17 this subdivision, "civics test questions" means 50 of the 100 questions that, as of January 1,
40.18 2015, United States citizenship and immigration services officers use to select the questions
40.19 they pose to applicants for naturalization so the applicants can demonstrate their knowledge
40.20 and understanding of the fundamentals of United States history and government, as
40.21 required by United States Code, title 8, section 1423. The Learning Law and Democracy
40.22 Foundation, in consultation with Minnesota civics teachers, must select by July 1 each year
40.23 50 of the 100 questions under this paragraph to serve as the state's civics test questions for
40.24 the proximate school year and immediately transmit the 50 selected civics test questions to
40.25 the department and to the Legislative Coordinating Commission, which must post the 50
40.26 questions it receives on the Minnesota's Legacy Web site by August 1 of that year.

40.27 (b) A student enrolled in a public school must correctly answer at least 30 of the 50
40.28 civics test questions. A school or district must record on a student's transcript whether
40.29 and when the student answered at least 30 of 50 civics test questions correctly. A school
40.30 or district may exempt a student with disabilities from this requirement if the student's
40.31 individualized education program team determines the requirement is inappropriate and
40.32 establishes an alternative requirement. A school or district may administer the civics test
40.33 questions in a language other than English to students who qualify for English learner
40.34 services.

41.1 (c) Schools and districts may administer civics test questions as part of the social
41.2 studies curriculum. A district must not prevent a student from graduating or deny a student
41.3 a high school diploma for failing to correctly answer at least 30 of 50 civics test questions.

41.4 (d) The commissioner and public schools and school districts must not charge
41.5 students any fees related to this subdivision.

41.6 **EFFECTIVE DATE.** This section is effective for students enrolling in grade 9 in
41.7 the 2017-2018 school year or later.

41.8 Sec. 5. Minnesota Statutes 2014, section 120B.021, subdivision 1, is amended to read:

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

41.11 (1) language arts;

41.12 (2) mathematics;

41.13 (3) science;

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

41.16 (5) physical education;

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

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

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

41.29 (c) Consistent with section 120B.021, subdivision 4, paragraph (g), the department
41.30 must adopt the most recent Society of Health and Physical Education (SHAPE) America
41.31 or other nationally recognized kindergarten through grade 12 physical education standards
41.32 and benchmarks as the required Minnesota physical education academic standards. The
41.33 department may modify and adapt the national standards and benchmarks to accommodate
41.34 state interest so long as it maintains the purpose and integrity of the national standards. The

42.1 department must post on its Web site existing assessments available in the public domain
42.2 for school districts to use in assessing students' mastery of the physical education standards.

42.3 (e) (d) District efforts to develop, implement, or improve instruction or curriculum
42.4 as a result of the provisions of this section must be consistent with sections 120B.10,
42.5 120B.11, and 120B.20.

42.6 EFFECTIVE DATE. Paragraph (c) is effective for the 2020-2021 school year
42.7 and later.

42.8 Sec. 6. Minnesota Statutes 2014, section 120B.021, subdivision 3, is amended to read:

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

42.19 Sec. 7. Minnesota Statutes 2015 Supplement, section 120B.021, subdivision 4, is
42.20 amended to read:

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

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

43.1 (b). The commissioner must implement a review of the academic standards and related
 43.2 benchmarks in mathematics beginning in the 2020-2021 school year and every ten years
 43.3 thereafter.

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

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

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

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

43.15 (g) The commissioner must adopt the most recent kindergarten through grade 12
 43.16 physical education standards developed by the Society of Health and Physical Education
 43.17 (SHAPE) America or other nationally recognized physical education association and
 43.18 implement a review of the physical education standards and related benchmarks, consistent
 43.19 with section 120B.021, subdivision 1, paragraph (c), beginning in the 2020-2021 school
 43.20 year and every ten years thereafter.

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

43.27 Sec. 8. Minnesota Statutes 2014, section 120B.11, subdivision 1a, is amended to read:

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

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

43.32 ~~(2)~~ (1) the size of the academic achievement gap, rigorous course taking under
 43.33 section 120B.35, subdivision 3, paragraph (c), clause (2), and enrichment experiences by
 43.34 student subgroup;

43.35 ~~(3)~~ (2) student performance on the Minnesota Comprehensive Assessments;

- 44.1 ~~(4)~~ (3) high school graduation rates; and
44.2 ~~(5)~~ (4) career and college readiness under section 120B.30, subdivision 1.

44.3 Sec. 9. Minnesota Statutes 2014, section 120B.11, subdivision 2, is amended to read:

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

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

44.10 (2) a process ~~for assessing and evaluating~~ to assess and evaluate each student's
44.11 progress toward meeting state and local academic standards, assess and identify students
44.12 to participate in gifted and talented programs and accelerate their instruction, and adopt
44.13 early-admission procedures consistent with section 120B.15, and identifying the strengths
44.14 and weaknesses of instruction in pursuit of student and school success and curriculum
44.15 affecting students' progress and growth toward career and college readiness and leading to
44.16 the world's best workforce;

44.17 (3) a system to periodically review and evaluate the effectiveness of all instruction
44.18 and curriculum, taking into account strategies and best practices, student outcomes, school
44.19 principal evaluations under section 123B.147, subdivision 3, students' access to effective
44.20 teachers who are members of populations underrepresented among the licensed teachers
44.21 in the district or school and who reflect the diversity of enrolled students under section
44.22 120B.35, subdivision 3, paragraph (b), clause (2), and teacher evaluations under section
44.23 122A.40, subdivision 8, or 122A.41, subdivision 5;

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

44.27 (5) a process to examine the equitable distribution of teachers and strategies to
44.28 ensure low-income and minority children are not taught at higher rates than other children
44.29 by inexperienced, ineffective, or out-of-field teachers;

44.30 ~~(5)~~ (6) education effectiveness practices that integrate high-quality instruction,
44.31 rigorous curriculum, technology, and a collaborative professional culture that develops
44.32 and supports teacher quality, performance, and effectiveness; and

44.33 ~~(6)~~ (7) an annual budget for continuing to implement the district plan.

44.34 Sec. 10. Minnesota Statutes 2014, section 120B.11, subdivision 3, is amended to read:

45.1 Subd. 3. **District advisory committee.** Each school board shall establish an
45.2 advisory committee to ensure active community participation in all phases of planning
45.3 and improving the instruction and curriculum affecting state and district academic
45.4 standards, consistent with subdivision 2. A district advisory committee, to the extent
45.5 possible, shall reflect the diversity of the district and its school sites, include teachers,
45.6 parents, support staff, students, and other community residents, and provide translation
45.7 to the extent appropriate and practicable. The district advisory committee shall pursue
45.8 community support to accelerate the academic and native literacy and achievement of
45.9 English learners with varied needs, from young children to adults, consistent with section
45.10 124D.59, subdivisions 2 and 2a. The district may establish site teams as subcommittees
45.11 of the district advisory committee under subdivision 4. The district advisory committee
45.12 shall recommend to the school board rigorous academic standards, student achievement
45.13 goals and measures consistent with subdivision 1a and sections 120B.022, subdivisions 1a
45.14 and 1b, and 120B.35, district assessments, means to improve students' equitable access to
45.15 effective and more diverse teachers, and program evaluations. School sites may expand
45.16 upon district evaluations of instruction, curriculum, assessments, or programs. Whenever
45.17 possible, parents and other community residents shall comprise at least two-thirds of
45.18 advisory committee members.

45.19 **EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and
45.20 later.

45.21 Sec. 11. Minnesota Statutes 2014, section 120B.11, subdivision 4, is amended to read:

45.22 Subd. 4. **Site team.** A school ~~may~~ must establish a site team to develop and
45.23 implement strategies and education effectiveness practices to improve instruction,
45.24 curriculum, cultural competencies, including cultural awareness and cross-cultural
45.25 communication, and student achievement at the school site, consistent with subdivision 2.
45.26 The site team must include an equal number of teachers and administrators and at least
45.27 one parent. The site team advises the board and the advisory committee about developing
45.28 the annual budget and ~~revising~~ creates an instruction and curriculum improvement plan
45.29 ~~that aligns to align~~ curriculum, assessment of student progress, and growth in meeting
45.30 state and district academic standards and instruction.

45.31 Sec. 12. Minnesota Statutes 2014, section 120B.11, subdivision 5, is amended to read:

45.32 Subd. 5. **Report.** Consistent with requirements for school performance reports
45.33 under section 120B.36, subdivision 1, the school board shall publish a report in the
45.34 local newspaper with the largest circulation in the district, by mail, or by electronic

46.1 means on the district Web site. The school board shall hold an annual public meeting
46.2 to review, and revise where appropriate, student achievement goals, local assessment
46.3 outcomes, plans, strategies, and practices for improving curriculum and instruction and
46.4 cultural competency, and efforts to equitably distribute diverse, effective, experienced,
46.5 and in-field teachers, and to review district success in realizing the previously adopted
46.6 student achievement goals and related benchmarks and the improvement plans leading to
46.7 the world's best workforce. The school board must transmit an electronic summary of its
46.8 report to the commissioner in the form and manner the commissioner determines.

46.9 Sec. 13. Minnesota Statutes 2014, section 120B.15, is amended to read:

46.10 **120B.15 GIFTED AND TALENTED STUDENTS PROGRAMS.**

46.11 (a) School districts may identify students, locally develop programs addressing
46.12 instructional and affective needs, provide staff development, and evaluate programs to
46.13 provide gifted and talented students with challenging and appropriate educational programs.

46.14 (b) School districts must adopt guidelines for assessing and identifying students for
46.15 participation in gifted and talented programs consistent with section 120B.11, subdivision
46.16 2, clause (2). The guidelines should include the use of:

46.17 (1) multiple and objective criteria; and

46.18 (2) assessments and procedures that are valid and reliable, fair, and based on current
46.19 theory and research. Assessments and procedures should be sensitive to underrepresented
46.20 groups, including, but not limited to, low-income, minority, twice-exceptional, and
46.21 English learners.

46.22 (c) School districts must adopt procedures for the academic acceleration of gifted
46.23 and talented students consistent with section 120B.11, subdivision 2, clause (2). These
46.24 procedures must include how the district will:

46.25 (1) assess a student's readiness and motivation for acceleration; and

46.26 (2) match the level, complexity, and pace of the curriculum to a student to achieve
46.27 the best type of academic acceleration for that student.

46.28 (d) School districts must adopt procedures consistent with section 124D.02,
46.29 subdivision 1, for early admission to kindergarten or first grade of gifted and talented
46.30 learners consistent with section 120B.11, subdivision 2, clause (2). The procedures must
46.31 be sensitive to underrepresented groups.

46.32 Sec. 14. Minnesota Statutes 2015 Supplement, section 120B.30, subdivision 1, is
46.33 amended to read:

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

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

47.18 (2) Students enrolled in grade 8 in the 2010-2011 or 2011-2012 school year are
47.19 eligible to be assessed under (i) the graduation-required assessment for diploma in reading,
47.20 mathematics, or writing under Minnesota Statutes 2012, section 120B.30, subdivision
47.21 1, paragraph (c), clauses (1) and (2), (ii) the WorkKeys job skills assessment, (iii) the
47.22 Compass college placement test, (iv) the ACT assessment for college admission, (v) a
47.23 nationally recognized armed services vocational aptitude test.

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

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

47.28 (1) mathematics;

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

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

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

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

47.35 (c) For students enrolled in grade 8 in the 2012-2013 school year and later, students'
47.36 state graduation requirements, based on a longitudinal, systematic approach to student

48.1 education and career planning, assessment, instructional support, and evaluation, include
48.2 the following:

48.3 (1) an opportunity to participate on a nationally normed college entrance exam,
48.4 in grade 11 or grade 12;

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

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

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

48.21 (d) Expectations of schools, districts, and the state for career or college readiness
48.22 under this subdivision must be comparable in rigor, clarity of purpose, and rates of
48.23 student completion.

48.24 A student under paragraph (c), clause (2), must receive targeted, relevant,
48.25 academically rigorous, and resourced instruction, which may include a targeted instruction
48.26 and intervention plan focused on improving the student's knowledge and skills in core
48.27 subjects so that the student has a reasonable chance to succeed in a career or college
48.28 without need for postsecondary remediation. Consistent with sections 120B.13, 124D.09,
48.29 124D.091, 124D.49, and related sections, an enrolling school or district must actively
48.30 encourage a student in grade 11 or 12 who is identified as academically ready for a career
48.31 or college to participate in courses and programs awarding college credit to high school
48.32 students. Students are not required to achieve a specified score or level of proficiency on
48.33 an assessment under this subdivision to graduate from high school.

48.34 (e) Though not a high school graduation requirement, students are encouraged to
48.35 participate in a nationally recognized college entrance exam. ~~With funding provided by~~
48.36 ~~the~~ To the extent state funding for college entrance exam fees is available, a district must

49.1 pay the cost, one time, for an interested student in grade 11 or 12 to take a nationally
49.2 recognized college entrance exam before graduating. ~~A student must be able to take the~~
49.3 ~~exam under this paragraph at the student's high school during the school day and at any~~
49.4 ~~one of the multiple exam administrations available to students in the district.~~

49.5 (f) The commissioner and the chancellor of the Minnesota State Colleges and
49.6 Universities must collaborate in aligning instruction and assessments for adult basic
49.7 education students and English learners to provide the students with diagnostic information
49.8 about any targeted interventions, accommodations, modifications, and supports they
49.9 need so that assessments and other performance measures are accessible to them and
49.10 they may seek postsecondary education or employment without need for postsecondary
49.11 remediation. When administering formative or summative assessments used to measure
49.12 the academic progress, including the oral academic development, of English learners
49.13 and inform their instruction, schools must ensure that the assessments are accessible to
49.14 the students and students have the modifications and supports they need to sufficiently
49.15 understand the assessments.

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

49.27 (h) A student who demonstrates attainment of required state academic standards,
49.28 which include career and college readiness benchmarks, on high school assessments
49.29 under subdivision 1a is academically ready for a career or college and is encouraged to
49.30 participate in courses awarding college credit to high school students. Such courses and
49.31 programs may include sequential courses of study within broad career areas and technical
49.32 skill assessments that extend beyond course grades.

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

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

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

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

50.18 (m) The 3rd through 8th grade computer-adaptive assessment results and high
50.19 school test results shall be available to districts for diagnostic purposes affecting student
50.20 learning and district instruction and curriculum, and for establishing educational
50.21 accountability. The commissioner must establish empirically derived benchmarks on
50.22 adaptive assessments in grades 3 through 8. The commissioner and the chancellor of the
50.23 Minnesota State Colleges and Universities must establish empirically derived benchmarks
50.24 on the high school tests that reveal a trajectory toward career and college readiness. The
50.25 chancellor of the Minnesota State Colleges and Universities must review and confirm
50.26 the benchmarks show that students are able to successfully complete credit-bearing
50.27 coursework at a Minnesota state college or university, consistent with paragraph (p). The
50.28 commissioner must disseminate to the public the computer-adaptive assessments and high
50.29 school test results upon receiving those results.

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

50.34 (o) The commissioner shall include the following components in the statewide
50.35 public reporting system:

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

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

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

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

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

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

51.21 **EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and
51.22 later.

51.23 Sec. 15. Minnesota Statutes 2015 Supplement, section 120B.30, subdivision 1a,
51.24 is amended to read:

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

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

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

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

51.32 (4) "Above-grade level" test items contain subject area content that is above the
51.33 grade level of the student taking the assessment and is considered aligned with state
51.34 academic standards to the extent it is aligned with content represented in state academic
51.35 standards above the grade level of the student taking the assessment. Notwithstanding

52.1 the student's grade level, administering above-grade level test items to a student does not
52.2 violate the requirement that state assessments must be aligned with state standards.

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

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

52.11 (c) For purposes of conforming with existing federal educational accountability
52.12 requirements, the commissioner must develop and implement computer-adaptive reading
52.13 and mathematics assessments for grades 3 through 8, state-developed high school reading
52.14 and mathematics tests aligned with state academic standards, a high school writing
52.15 test aligned with state standards when it becomes available, and science assessments
52.16 under clause (2) that districts and sites must use to monitor student growth toward
52.17 achieving those standards. The commissioner must not develop statewide assessments for
52.18 academic standards in social studies, except a civics test consistent with section 120B.02,
52.19 subdivision 3, health and physical education, and the arts. The commissioner must require:

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

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

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

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

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

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

52.35 (4) useful diagnostic information about areas of students' academic strengths and
52.36 weaknesses is available to teachers and school administrators for improving student

53.1 instruction and indicating the specific skills and concepts that should be introduced and
53.2 developed for students at given performance levels, organized by strands within subject
53.3 areas, and aligned to state academic standards.

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

53.7 (f) Reporting of state assessment results must:

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

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

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

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

53.16 (h) A school, school district, and charter school must administer statewide
53.17 assessments under this section, as the assessments become available, to evaluate student
53.18 progress toward career and college readiness in the context of the state's academic
53.19 standards. A school, school district, or charter school may use a student's performance
53.20 on a statewide assessment as one of multiple criteria to determine grade promotion or
53.21 retention. A school, school district, or charter school may use a high school student's
53.22 performance on a statewide assessment as a percentage of the student's final grade in a
53.23 course, or place a student's assessment score on the student's transcript.

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

53.25 Sec. 16. Minnesota Statutes 2015 Supplement, section 120B.301, is amended to read:

53.26 **120B.301 LIMITS ON LOCAL TESTING.**

53.27 (a) For students in grades 1 through 6, the cumulative total amount of time spent
53.28 taking locally adopted districtwide or schoolwide assessments must not exceed ten hours
53.29 per school year. For students in grades 7 through 12, the cumulative total amount of time
53.30 spent taking locally adopted districtwide or schoolwide assessments must not exceed 11
53.31 hours per school year. For purposes of this paragraph, International Baccalaureate and
53.32 Advanced Placement exams are not considered locally adopted assessments.

53.33 (b) A district or charter school is exempt from the requirements of paragraph (a),
53.34 if the district or charter school, in consultation with the exclusive representative of the

54.1 teachers or other teachers if there is no exclusive representative of the teachers, decides
54.2 to exceed a time limit in paragraph (a) and includes in the report required under section
54.3 120B.11, subdivision 5.

54.4 (c) A district or charter school, before the first day of each school year, must publish
54.5 on its Web site a comprehensive calendar of standardized tests to be administered in the
54.6 district or charter school during that school year. The calendar must provide the rationale
54.7 for administering each assessment and indicate whether the assessment is a local option or
54.8 required by state or federal law.

54.9 **EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and
54.10 later.

54.11 Sec. 17. **[120B.304] SCHOOL DISTRICT ASSESSMENT COMMITTEE.**

54.12 (a) A school district that does not have an agreement between the school board and
54.13 the exclusive representative of the teachers about selecting assessments must establish a
54.14 district assessment committee to advise the school board on administering standardized
54.15 assessments to students in addition to the assessments required under section 120B.30 and
54.16 applicable federal law unless paragraph (b) applies. The committee must include an equal
54.17 number of teachers and administrators and at least one parent of a student in the district
54.18 and may include at least one representative from each school site in the district.

54.19 (b) A school district may seek this assessment advice from the district advisory
54.20 committee under section 120B.11, subdivision 3, instead of establishing a committee
54.21 under this section.

54.22 **EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and
54.23 later.

54.24 Sec. 18. Minnesota Statutes 2015 Supplement, section 120B.31, subdivision 4, is
54.25 amended to read:

54.26 Subd. 4. **Student performance data.** In developing policies and assessment
54.27 processes to hold schools and districts accountable for high levels of academic standards
54.28 under section 120B.021, the commissioner shall aggregate and disaggregate student
54.29 data over time to report summary student performance and growth levels and, under
54.30 section 120B.11, subdivision 2, clause (2), student learning and outcome data measured
54.31 at the school, school district, and statewide level. ~~When collecting and reporting the~~
54.32 ~~performance data,~~ The commissioner shall use the student categories identified under the
54.33 federal Elementary and Secondary Education Act, as most recently reauthorized, and

55.1 student categories of homelessness, ethnicity, race, home language, immigrant, refugee
55.2 status, English language learners under section 124D.59, free or reduced-price lunch,
55.3 and other categories designated by federal law to organize and report the data so that
55.4 state and local policy makers can understand the educational implications of changes in
55.5 districts' demographic profiles over time, including student homelessness, as data are
55.6 available, among other demographic factors. Any report the commissioner disseminates
55.7 containing summary data on student performance must integrate student performance and
55.8 the demographic factors that strongly correlate with that performance.

55.9 **EFFECTIVE DATE.** This section is effective for the 2017-2018 school year and
55.10 later.

55.11 Sec. 19. Minnesota Statutes 2014, section 120B.31, is amended by adding a
55.12 subdivision to read:

55.13 Subd. 4a. **Student participation.** The commissioner shall create and publish a form
55.14 for parents and guardians to complete if they refuse to have their student participate in
55.15 state or locally required standardized testing. The form must state why there are state
55.16 academic standards, indicate which tests are aligned with state standards, and what
55.17 consequences, if any, the school or student may face if a student does not participate in
55.18 state or locally required standardized testing. This form must ask parents to indicate a
55.19 reason for their refusal.

55.20 **EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and
55.21 later.

55.22 Sec. 20. Minnesota Statutes 2014, section 120B.31, is amended by adding a
55.23 subdivision to read:

55.24 Subd. 6. **Retaliation prohibited.** An employee who discloses information to the
55.25 commissioner or a parent or guardian about service disruptions or technical interruptions
55.26 related to administering assessments under this section is protected under section 181.932,
55.27 governing disclosure of information by employees.

55.28 **EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and
55.29 later.

55.30 Sec. 21. Minnesota Statutes 2014, section 120B.31, is amended by adding a
55.31 subdivision to read:

56.1 Subd. 7. **Shared settlements and reimbursements.** If a state testing contractor fails
 56.2 to perform or otherwise violates a state testing contract, any payment the commissioner
 56.3 receives from the testing contractor for failure to perform or other contract violation or
 56.4 other contractual settlement must be distributed to affected schools. The commissioner
 56.5 must allocate to each affected school that portion of the contractor's payment equal
 56.6 to the number of pupils enrolled in that school compared to the total number of pupils
 56.7 enrolled in all affected schools.

56.8 **EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and
 56.9 later.

56.10 Sec. 22. Minnesota Statutes 2014, section 120B.35, is amended to read:

56.11 **120B.35 STUDENT ACADEMIC ACHIEVEMENT AND GROWTH.**

56.12 Subdivision 1. ~~School and~~ **Student indicators of growth and achievement.**

56.13 The commissioner must develop and implement a system for measuring and reporting
 56.14 academic achievement and individual student growth, consistent with the statewide
 56.15 educational accountability and reporting system. The system components must measure
 56.16 and separately report the ~~adequate yearly progress~~ federal expectations of schools and
 56.17 the growth of individual students: students' current achievement in schools under
 56.18 subdivision 2; and individual students' educational growth over time under subdivision
 56.19 3. The system also must include statewide measures of student academic growth that
 56.20 identify schools with high levels of growth, and also schools with low levels of growth
 56.21 that need improvement. ~~When determining a school's effect,~~ The data must include
 56.22 both statewide measures of student achievement and, to the extent annual tests are
 56.23 administered, indicators of achievement growth that take into account a student's prior
 56.24 achievement. Indicators of achievement and prior achievement must be based on highly
 56.25 reliable statewide or districtwide assessments. Indicators that take into account a student's
 56.26 prior achievement must not be used to disregard a school's low achievement or to exclude
 56.27 a school from a program to improve low achievement levels.

56.28 Subd. 2. **Federal Expectations for student academic achievement.** (a) Each
 56.29 school year, a school district must determine if the student achievement levels at each
 56.30 school site meet federal expectations. If student achievement levels at a school site do
 56.31 not meet federal expectations ~~and the site has not made adequate yearly progress for two~~
 56.32 ~~consecutive school years, beginning with the 2001-2002 school year,~~ the district must
 56.33 work with the school site to adopt a plan to raise student achievement levels to meet

57.1 federal expectations. The commissioner of education shall establish student academic
57.2 achievement levels to comply with this paragraph.

57.3 (b) School sites identified as not meeting federal expectations must develop
57.4 continuous improvement plans in order to meet federal expectations for student academic
57.5 achievement. The department, at a district's request, must assist the district and the school
57.6 site sites in developing a plan to improve student achievement. The plan must include
57.7 parental involvement components.

57.8 (c) The commissioner must:

57.9 (1) assist school sites and districts identified as not meeting federal expectations; and

57.10 (2) provide technical assistance to schools that integrate student achievement
57.11 measures into the school continuous improvement plan.

57.12 (d) The commissioner shall establish and maintain a continuous improvement Web
57.13 site designed to make aggregated and disaggregated student growth and, under section
57.14 120B.11, subdivision 2, clause (2), student learning and outcome data on every school
57.15 and district available to parents, teachers, administrators, community members, and the
57.16 general public, consistent with this section.

57.17 Subd. 3. **State growth target; other state measures.** (a)(1) The state's educational
57.18 assessment system measuring individual students' educational growth is based on
57.19 indicators of achievement growth that show an individual student's prior achievement.
57.20 Indicators of achievement and prior achievement must be based on highly reliable
57.21 statewide or districtwide assessments.

57.22 (2) For purposes of paragraphs (b), (c), and (d), the commissioner must analyze and
57.23 report separate categories of information using the student categories identified under the
57.24 federal Elementary and Secondary Education Act, as most recently reauthorized and, in
57.25 addition to the Karen community, other student categories as determined by the total
57.26 Minnesota population at or above the 1,000-person threshold based on the most recent
57.27 decennial census, including ethnicity; race; refugee status; English language learners
57.28 under section 124D.59; home language; free or reduced-price lunch; immigrant; and all
57.29 students enrolled in a Minnesota public school who are currently or were previously in
57.30 foster care, except that such disaggregation and cross tabulation is not required if the
57.31 number of students in a category is insufficient to yield statistically reliable information or
57.32 the results would reveal personally identifiable information about an individual student.

57.33 (b) The commissioner, in consultation with a stakeholder group that includes
57.34 assessment and evaluation directors, district staff, experts in culturally responsive teaching,
57.35 and researchers, must implement a model that uses a value-added growth indicator and
57.36 includes criteria for identifying schools and school districts that demonstrate medium and

58.1 high growth under section 120B.299, subdivisions 8 and 9, and may recommend other
 58.2 value-added measures under section 120B.299, subdivision 3. The model may be used
 58.3 to advance educators' professional development and replicate programs that succeed in
 58.4 meeting students' diverse learning needs. Data on individual teachers generated under the
 58.5 model are personnel data under section 13.43. The model must allow users to:

- 58.6 (1) report student growth consistent with this paragraph; and
 58.7 (2) for all student categories, report and compare aggregated and disaggregated state
 58.8 student growth and, under section 120B.11, subdivision 2, clause (2), student learning
 58.9 and outcome data using the nine student categories identified under the federal 2001 No
 58.10 Child Left Behind Act and two student gender categories of male and female, respectively,
 58.11 following appropriate reporting practices to protect nonpublic student data Elementary
 58.12 and Secondary Education Act, as most recently reauthorized, and other student categories
 58.13 under paragraph (a), clause (2).

58.14 The commissioner must report measures of student growth and, under section
 58.15 120B.11, subdivision 2, clause (2), student learning and outcome data, consistent with
 58.16 this paragraph, including the English language development, academic progress, and oral
 58.17 academic development of English learners and their native language development if the
 58.18 native language is used as a language of instruction, and include data on all pupils enrolled
 58.19 in a Minnesota public school course or program who are currently or were previously
 58.20 counted as an English learner under section 124D.59.

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

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

58.30 (2) a rigorous coursework measure indicating the number and percentage of high
 58.31 school graduates in the most recent school year who successfully completed one or more
 58.32 college-level advanced placement, international baccalaureate, postsecondary enrollment
 58.33 options including concurrent enrollment, other rigorous courses of study under section
 58.34 120B.021, subdivision 1a, or industry certification courses or programs.

58.35 When reporting the core measures under clauses (1) and (2), the commissioner must also
 58.36 analyze and report separate categories of information using the ~~nine~~ student categories

59.1 identified under the federal ~~2001 No Child Left Behind Act~~ and two student gender
59.2 categories of male and female, respectively, following appropriate reporting practices to
59.3 protect nonpublic student data Elementary and Secondary Education Act, as most recently
59.4 reauthorized, and other student categories under paragraph (a), clause (2).

59.5 (d) When reporting student performance under section 120B.36, subdivision 1, the
59.6 commissioner annually, beginning July 1, 2014, must report summary data on school
59.7 safety and students' engagement and connection at school, consistent with the student
59.8 categories identified under paragraph (a), clause (2). The summary data under this
59.9 paragraph are separate from and must not be used for any purpose related to measuring
59.10 or evaluating the performance of classroom teachers. The commissioner, in consultation
59.11 with qualified experts on student engagement and connection and classroom teachers,
59.12 must identify highly reliable variables that generate summary data under this paragraph.
59.13 The summary data may be used at school, district, and state levels only. Any data on
59.14 individuals received, collected, or created that are used to generate the summary data
59.15 under this paragraph are nonpublic data under section 13.02, subdivision 9.

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

59.21 (1) the four- and six-year graduation rates of students under this paragraph;

59.22 (2) the percent of students under this paragraph whose progress and performance
59.23 levels are meeting career and college readiness benchmarks under section 120B.30,
59.24 subdivision 1; and

59.25 (3) the success that learning year program providers experience in:

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

59.27 (ii) providing successful prevention and intervention strategies for at-risk students;

59.28 (iii) providing successful recuperative and recovery or reenrollment strategies for
59.29 off-track students; and

59.30 (iv) improving the graduation outcomes of at-risk and off-track students.

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

59.33 (f) The commissioner, in consultation with recognized experts with knowledge and
59.34 experience in assessing the language proficiency and academic performance of all English
59.35 learners enrolled in a Minnesota public school course or program who are currently or were
59.36 previously counted as an English learner under section 124D.59, must identify and report

60.1 appropriate and effective measures to improve current categories of language difficulty and
 60.2 assessments, and monitor and report data on students' English proficiency levels, program
 60.3 placement, and academic language development, including oral academic language.

60.4 Subd. 4. **Improving schools.** Consistent with the requirements of this section,
 60.5 beginning June 20, 2012, the commissioner of education must annually report to the
 60.6 public and the legislature best practices implemented in those schools that ~~demonstrate~~
 60.7 ~~high growth compared to the state growth target~~ are identified as high performing under
 60.8 federal expectations.

60.9 Subd. 5. **Improving graduation rates for students with emotional or behavioral**
 60.10 **disorders.** (a) A district must develop strategies in conjunction with parents of students
 60.11 with emotional or behavioral disorders and the county board responsible for implementing
 60.12 sections 245.487 to 245.4889 to keep students with emotional or behavioral disorders in
 60.13 school, when the district has a drop-out rate for students with an emotional or behavioral
 60.14 disorder in grades 9 through 12 exceeding 25 percent.

60.15 (b) A district must develop a plan in conjunction with parents of students with
 60.16 emotional or behavioral disorders and the local mental health authority to increase the
 60.17 graduation rates of students with emotional or behavioral disorders. A district with a
 60.18 drop-out rate for children with an emotional or behavioral disturbance in grades 9 through
 60.19 12 that is in the top 25 percent of all districts shall submit a plan for review and oversight
 60.20 to the commissioner.

60.21 **EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and
 60.22 later.

60.23 Sec. 23. Minnesota Statutes 2014, section 120B.36, as amended by Laws 2015, First
 60.24 Special Session chapter 3, article 2, section 8, is amended to read:

60.25 **120B.36 SCHOOL ACCOUNTABILITY; ~~APPEALS PROCESS.~~**

60.26 Subdivision 1. **School performance reports.** (a) The commissioner shall report
 60.27 student academic performance data under section 120B.35, ~~subdivision~~ subdivisions
 60.28 2 and 3; the percentages of students showing low, medium, and high growth under
 60.29 section 120B.35, subdivision 3, paragraph (b); school safety and student engagement and
 60.30 connection under section 120B.35, subdivision 3, paragraph (d); rigorous coursework
 60.31 under section 120B.35, subdivision 3, paragraph (c); the percentage of students under
 60.32 section 120B.35, subdivision 3, paragraph (b), clause (2), whose progress and performance
 60.33 levels are meeting career and college readiness benchmarks under sections 120B.30,
 60.34 subdivision 1, and 120B.35, subdivision 3, paragraph (e); longitudinal data on the progress

61.1 of eligible districts in reducing disparities in students' academic achievement and realizing
61.2 racial and economic integration under section 124D.861; the acquisition of English, and
61.3 where practicable, native language academic literacy, including oral academic language,
61.4 and the academic progress of all English learners under section 124D.59, subdivisions
61.5 2 and 2a enrolled in a Minnesota public school course or program who are currently or
61.6 were previously counted as English learners under section 124D.59; the total number of
61.7 students by grade who correctly answered at least 30 of 50 civics test questions under
61.8 section 120B.02, subdivision 3; two separate student-to-teacher ratios that clearly indicate
61.9 the definition of teacher consistent with sections 122A.06 and 122A.15 for purposes
61.10 of determining these ratios; staff characteristics excluding salaries; student enrollment
61.11 demographics; foster care status, including all students enrolled in a Minnesota public
61.12 school course or program who are currently or were previously in foster care, student
61.13 homelessness, and district mobility; and extracurricular activities. The report also must
61.14 indicate a school's adequate yearly progress status under applicable federal law, and must
61.15 not set any designations applicable to high- and low-performing schools due solely to
61.16 adequate yearly progress status.

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

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

61.21 (d) A school or district may appeal its ~~adequate yearly progress status in writing~~
61.22 ~~to the commissioner within 30 days of receiving the notice of its status~~ results in a form
61.23 and manner determined by the commissioner and consistent with federal law. The
61.24 commissioner's decision to uphold or deny an appeal is final.

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

61.30 Subd. 2. ~~Adequate yearly~~ **Student progress and other data.** (a) All data the
61.31 department receives, collects, or creates under section 120B.11, governing the world's
61.32 best workforce or to determine adequate yearly progress status under Public Law 107-110,
61.33 section 1116 federal expectations under the most recently reauthorized Elementary and
61.34 Secondary Education Act, set state growth targets, and determine student growth, learning,
61.35 and outcomes under section 120B.35 are nonpublic data under section 13.02, subdivision
61.36 9, until the commissioner publicly releases the data.

62.1 (b) Districts must provide parents sufficiently detailed summary data to permit
 62.2 parents to appeal under Public Law 107-110, section 1116(b)(2) the most recently
 62.3 reauthorized federal Elementary and Secondary Education Act. The commissioner shall
 62.4 annually post federal adequate yearly progress data expectations and state student growth,
 62.5 learning, and outcome data to the department's public Web site no later than September 1,
 62.6 except that in years when adequate yearly progress reflects data or federal expectations
 62.7 reflect new performance standards, the commissioner shall post federal adequate yearly
 62.8 progress data on federal expectations and state student growth data no later than October 1.

62.9 **EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and
 62.10 later, except the requirement to report civics test data is effective for the 2018-2019 school
 62.11 year and later.

62.12 Sec. 24. **[121A.3951] STUDENT SUPPORT SERVICES PERSONNEL GRANT**
 62.13 **PROGRAM.**

62.14 Subdivision 1. Definitions. For the purposes of sections 121A.395 to 121A.3952,
 62.15 the following terms have the meanings given them:

62.16 (1) "student support services personnel" includes individuals licensed as a
 62.17 school counselor, school psychologist, school social worker, school nurse, or chemical
 62.18 dependency counselor in Minnesota; and

62.19 (2) "new position" means a full-time or part-time student support services personnel
 62.20 position not under contract by a school at the start of the school year preceding the first
 62.21 year of funding under this section.

62.22 Subd. 2. Purpose. The student support services personnel grant program must:

62.23 (1) address shortages of student support services personnel within Minnesota schools;

62.24 (2) decrease caseloads for existing student support services personnel to ensure
 62.25 effective services;

62.26 (3) ensure K-12 students receive effective academic guidance and integrated and
 62.27 comprehensive services to improve student and school outcomes and students' career and
 62.28 college readiness;

62.29 (4) ensure student support services personnel serve within the scope and practice of
 62.30 their training and licensure;

62.31 (5) fully integrate learning supports, instruction, and school management within a
 62.32 comprehensive approach that facilitates interdisciplinary collaboration; and

62.33 (6) improve school safety and school climate to support academic success and
 62.34 career and college readiness.

63.1 Subd. 3. **Grant eligibility and application.** (a) To the extent funds are available, a
63.2 school district, charter school, intermediate school district, or other cooperative unit may
63.3 apply for a six-year grant under this section.

63.4 (b) The commissioner of education shall specify the form and manner of the grant
63.5 application. In awarding grants, the commissioner must give priority to schools where
63.6 student support services personnel positions do not currently exist. The commissioner also
63.7 must consider at least the following when awarding grants:

63.8 (1) existing student support services personnel caseloads;

63.9 (2) school demographics;

63.10 (3) Title 1 revenue;

63.11 (4) Minnesota student survey data;

63.12 (5) graduation rates; and

63.13 (6) postsecondary completion rates.

63.14 Subd. 4. **Allowed uses; match requirements.** Grant recipients must use the grant
63.15 under this section to hire a new position. A school that receives a grant must match the
63.16 grant with local funds in each year of the grant. In each of the first four years of the grant,
63.17 the local match equals \$1 for every \$1 awarded in the same year. In years five and six
63.18 of the grant, the local match equals \$3 for every \$1 awarded in the same year. The local
63.19 match may not include federal reimbursements attributable to the new position.

63.20 Subd. 5. **Report required.** By February 1 following any fiscal year in which a
63.21 recipient receives a grant, it must submit a written report to the commissioner indicating
63.22 how the new positions affected two or more of the following measures:

63.23 (1) school climate;

63.24 (2) attendance rates;

63.25 (3) academic achievement;

63.26 (4) career and college readiness; and

63.27 (5) postsecondary completion rates.

63.28 Subd. 6. **Appropriation.** Any amounts appropriated from the general fund to the
63.29 commissioner of education for support services grants under this section must be used
63.30 for the purposes of this section. Notwithstanding section 16A.28, any appropriation for
63.31 this purpose is available until June 30, 2024. Any balance remaining after June 30, 2024,
63.32 cancel to the general fund.

63.33 Subd. 7. **Report.** By February 15, 2017, the commissioner must report to the
63.34 education committees of the legislature about:

63.35 (1) the expected use of this program by school districts;

63.36 (2) the estimated annual funding necessary to implement this section; and

64.1 (3) the potential unfunded costs imposed on school districts by this section.

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

64.3 Sec. 25. **[121A.3952] STUDENT SUPPORT SERVICES PERSONNEL**
64.4 **TRAINING GRANTS.**

64.5 Subdivision 1. **Purpose.** Student support services personnel training grants are to
64.6 increase the number of postsecondary graduates qualified to serve as student support
64.7 services personnel in Minnesota schools.

64.8 Subd. 2. **Eligible institutions; application.** (a) Any Minnesota institution of higher
64.9 education offering a preparation program that meets the requirements for licensure of
64.10 student support services personnel is eligible to apply for a six-year grant in the form
64.11 and manner specified by the commissioner.

64.12 (b) The commissioner of education shall develop criteria for awarding grants
64.13 consistent with this section.

64.14 Subd. 3. **Allowed uses; match requirements.** An institution that receives a grant
64.15 under this section must use the grant to hire staff as necessary to meet the purposes of
64.16 this section, and must match the grant with local funds in each year of the grant. In each
64.17 of the first four years of the grant, the local match equals \$1 for every \$1 awarded in
64.18 the same year. In years five and six of the grant, the local match equals \$3 for every \$1
64.19 awarded in the same year. A recipient must use the grant to supplement, not supplant,
64.20 existing funding for the uses described under this subdivision.

64.21 Subd. 4. **Report required.** By February 1 following any fiscal year in which it
64.22 received a grant, an institution must submit a written report to the commissioner indicating
64.23 how the new positions affected:

64.24 (1) the number of students enrolled in programs leading to licensure of student
64.25 support services personnel;

64.26 (2) the number of graduates of programs leading to licensure of student support
64.27 services personnel; and

64.28 (3) employment outcomes for graduates of programs leading to licensure of student
64.29 support services personnel, including employment in Minnesota schools.

64.30 Subd. 5. **Appropriation.** Any amounts annually appropriated from the general fund
64.31 to the commissioner of education for grants received under this section must be used
64.32 for the purposes of this section.

65.1 Sec. 26. Minnesota Statutes 2014, section 121A.53, is amended to read:

65.2 **121A.53 REPORT TO COMMISSIONER OF EDUCATION.**

65.3 Subdivision 1. **Exclusions and expulsions; physical assaults.** The school board
65.4 must report through the department electronic reporting system each exclusion or
65.5 expulsion and each physical assault of a district employee by a student within 30 days
65.6 of the effective date of the dismissal action or assault to the commissioner of education.
65.7 This report must include a statement of alternative educational services, or other sanction,
65.8 intervention, or resolution in response to the assault given the pupil and the reason for,
65.9 the effective date, and the duration of the exclusion or expulsion or other sanction,
65.10 intervention, or resolution. The report must also include the student's age, grade, gender,
65.11 race, and special education status.

65.12 Subd. 2. **Report.** (a) The school board must include state student identification
65.13 numbers of affected pupils on all dismissal and other disciplinary reports required by the
65.14 department. The department must report annually to the commissioner summary data on the
65.15 number of dismissals and physical assaults of district employees by a student by age, grade,
65.16 gender, race, and special education status of the affected pupils. All dismissal and other
65.17 disciplinary reports must be submitted through the department electronic reporting system.

65.18 (b) The commissioner must aggregate the district data reported under this section and
65.19 include the aggregated data, including aggregated data on physical assaults of a district
65.20 employee by a student, in the annual school performance reports under section 120B.36.

65.21 **EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and
65.22 later.

65.23 Sec. 27. Minnesota Statutes 2014, section 121A.61, subdivision 1, is amended to read:

65.24 Subdivision 1. **Required policy.** Each school board must adopt a written
65.25 districtwide school discipline policy which includes written rules of conduct for
65.26 students, minimum consequences for violations of the rules, and grounds and procedures
65.27 for removal of a student from class. The policy must be developed in consultation
65.28 with administrators, teachers, employees, pupils, parents, community members, law
65.29 enforcement agencies, county attorney offices, social service agencies, and such other
65.30 individuals or organizations as the board determines appropriate. The policy must be
65.31 consistent with a teacher's authority for controlling and managing student behavior in the
65.32 classroom under section 122A.42. A school site council may adopt additional provisions
65.33 to the policy subject to the approval of the school board.

66.1 **EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and
66.2 later.

66.3 Sec. 28. Minnesota Statutes 2014, section 121A.64, is amended to read:

66.4 **121A.64 NOTIFICATION; TEACHERS' LEGITIMATE EDUCATIONAL**
66.5 **INTEREST.**

66.6 (a) A classroom teacher has a legitimate educational interest in knowing which
66.7 students placed in the teacher's classroom have a history of violent behavior, including any
66.8 documented physical assault of a district employee by the student, and must be notified
66.9 before such students are placed in the teacher's classroom.

66.10 (b) Representatives of the school board and the exclusive representative of the
66.11 teachers shall discuss issues related to the model policy on student records adopted under
66.12 Laws 1999, chapter 241, article 9, section 50, and any modifications adopted under Laws
66.13 2003, First Special Session chapter 9, for notifying classroom teachers and other school
66.14 district employees having a legitimate educational interest in knowing about students with
66.15 a history of violent behavior, including any documented physical assault of a district
66.16 employee by students placed in classrooms. The representatives of the school board and
66.17 the exclusive representative of the teachers also may discuss the need for intervention
66.18 services or conflict resolution or training for staff related to placing students with a history
66.19 of violent behavior in teachers' classrooms.

66.20 **EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and
66.21 later.

66.22 Sec. 29. Minnesota Statutes 2014, section 122A.07, subdivision 2, is amended to read:

66.23 Subd. 2. **Eligibility; board composition.** Except for the representatives of higher
66.24 education, school administrators, and the public, to be eligible for appointment to the
66.25 Board of Teaching a person must be a teacher currently teaching in a Minnesota school
66.26 and fully licensed for the position held and have at least five years teaching experience in
66.27 Minnesota, including the two years immediately preceding nomination and appointment.
66.28 Each nominee, other than a public nominee, must be selected on the basis of professional
66.29 experience and knowledge of teacher education, accreditation, and licensure. The board
66.30 must be composed of:

66.31 (1) six teachers who are currently teaching in a Minnesota school or who were
66.32 teaching at the time of the appointment and who do not qualify under clause (2) or (3), at
66.33 least four of whom must be teaching in a public school;

67.1 (2) one higher education representative, who must be a faculty member preparing
67.2 teachers;

67.3 (3) one school administrator; and

67.4 (4) three members of the public, two of whom must be present or former members
67.5 of school boards.

67.6 **EFFECTIVE DATE.** This section is effective the day following final enactment
67.7 and applies to all board appointments made after that date.

67.8 Sec. 30. Minnesota Statutes 2014, section 122A.09, is amended by adding a
67.9 subdivision to read:

67.10 Subd. 3a. **Board of Teaching; duties and responsibilities clarified.** Consistent
67.11 with sections 15.039 and 16B.37, the Board of Teaching is responsible for licensing
67.12 teachers and issuing special permissions to teach and must perform all licensure-related
67.13 duties and meet all licensure-related responsibilities under this section, among other
67.14 statutory licensure-related requirements. At the direction of the board, the department
67.15 may perform administrative functions related to issuing teacher licenses. To the extent a
67.16 conflict exists between this section and another section governing teacher licensing, the
67.17 provisions of this section prevail.

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

67.19 Sec. 31. Minnesota Statutes 2015 Supplement, section 122A.09, subdivision 4, is
67.20 amended to read:

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

67.23 (b) The board must require all candidates for teacher licensure to demonstrate a
67.24 passing score on a board-adopted skills examination in reading, writing, and mathematics,
67.25 as a requirement for initial teacher licensure, except that the board may issue up to four
67.26 temporary, one-year teaching licenses to an otherwise qualified candidate who has not yet
67.27 passed the board-adopted skills exam. The board must require colleges and universities
67.28 offering a board-approved teacher preparation program to provide remedial assistance to
67.29 persons who did not achieve a qualifying score on the board-adopted skills examination,
67.30 including those for whom English is a second language. The requirement to pass a
67.31 board-adopted reading, writing, and mathematics skills examination does not apply to
67.32 nonnative English speakers, as verified by qualified Minnesota school district personnel
67.33 or Minnesota higher education faculty, who, after meeting the content and pedagogy

68.1 requirements under this subdivision, apply for a teaching license to provide direct
68.2 instruction in their native language or world language instruction under section 120B.022,
68.3 subdivision 1. The Board of Teaching and the entity administering the content, pedagogy,
68.4 and skills examinations must allow any individual who produces documentation of a
68.5 disability in the form of an evaluation, 504 plan, or individual education program (IEP) to
68.6 receive the same testing accommodations on the content, pedagogy, and skills examinations
68.7 that the applicant received during their secondary or postsecondary education.

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

68.15 (d) The board must provide the leadership and adopt rules for the redesign of teacher
68.16 education programs to implement a research based, results-oriented curriculum that
68.17 focuses on the skills teachers need in order to be effective. Among other components,
68.18 teacher preparation programs may use the Minnesota State Colleges and Universities
68.19 program model to provide a school-year-long student teaching program that combines
68.20 clinical opportunities with academic coursework and in-depth student teaching
68.21 experiences to offer students ongoing mentorship, coaching, and assessment, help to
68.22 prepare a professional development plan, and structured learning experiences. The board
68.23 shall implement new systems of teacher preparation program evaluation to assure program
68.24 effectiveness based on proficiency of graduates in demonstrating attainment of program
68.25 outcomes. Teacher preparation programs including alternative teacher preparation
68.26 programs under section 122A.245, among other programs, must include a content-specific,
68.27 board-approved, performance-based assessment that measures teacher candidates in three
68.28 areas: planning for instruction and assessment; engaging students and supporting learning;
68.29 and assessing student learning. The board's redesign rules must include creating flexible,
68.30 specialized teaching licenses, credentials, and other endorsement forms to increase
68.31 students' participation in language immersion programs, world language instruction,
68.32 career development opportunities, work-based learning, early college courses and careers,
68.33 career and technical programs, Montessori schools, and project and place-based learning,
68.34 among other career and college ready learning offerings.

68.35 (e) The board must adopt rules requiring candidates for initial licenses to pass an
68.36 examination of general pedagogical knowledge and examinations of licensure-specific

69.1 teaching skills. The rules shall be effective by September 1, 2001. The rules under this
69.2 paragraph also must require candidates for initial licenses to teach prekindergarten or
69.3 elementary students to pass, as part of the examination of licensure-specific teaching
69.4 skills, test items assessing the candidates' knowledge, skill, and ability in comprehensive,
69.5 scientifically based reading instruction under section 122A.06, subdivision 4, and their
69.6 knowledge and understanding of the foundations of reading development, the development
69.7 of reading comprehension, and reading assessment and instruction, and their ability to
69.8 integrate that knowledge and understanding.

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

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

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

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

69.31 (j) The board must grant life licenses to those who qualify according to requirements
69.32 established by the board, and suspend or revoke licenses pursuant to sections 122A.20 and
69.33 214.10. The board must not establish any expiration date for application for life licenses.

69.34 (k) The board must adopt rules that require all licensed teachers who are renewing
69.35 their continuing license to include in their renewal requirements further preparation in
69.36 the areas of using positive behavior interventions and in accommodating, modifying, and

70.1 adapting curricula, materials, and strategies to appropriately meet the needs of individual
70.2 students and ensure adequate progress toward the state's graduation rule.

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

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

70.13 (n) The board must adopt rules that require all licensed teachers who are renewing
70.14 their continuing license to include in their renewal requirements at least one hour of
70.15 suicide prevention best practices in each licensure renewal period that are based on
70.16 nationally recognized evidence-based programs and practices, among the continuing
70.17 education credits required to renew a license under this paragraph, and further preparation,
70.18 first, in understanding the key warning signs of early-onset mental illness in children
70.19 and adolescents and then, during subsequent licensure renewal periods, preparation may
70.20 include providing a more in-depth understanding of students' mental illness trauma,
70.21 accommodations for students' mental illness, parents' role in addressing students' mental
70.22 illness, Fetal Alcohol Spectrum Disorders, autism, the requirements of section 125A.0942
70.23 governing restrictive procedures, and de-escalation methods, among other similar topics.

70.24 (o) The board must adopt rules by January 1, 2016, to license applicants under
70.25 sections 122A.23 and 122A.245. The rules must permit applicants to demonstrate their
70.26 qualifications through the board's recognition of a teaching license from another state
70.27 in a similar content field, completion of a state-approved teacher preparation program,
70.28 teaching experience as the teacher of record in a similar licensure field, depth of content
70.29 knowledge, depth of content methods or general pedagogy, subject-specific professional
70.30 development and contribution to the field, or classroom performance as determined by
70.31 documented student growth on normed assessments or documented effectiveness on
70.32 evaluations. The rules must adopt criteria for determining a "similar content field" and
70.33 "similar licensure area."

70.34 **EFFECTIVE DATE.** This section is effective the day following final enactment
70.35 and applies to teachers renewing their teaching licenses beginning August 1, 2017.

71.1 Sec. 32. Minnesota Statutes 2014, section 122A.09, subdivision 10, is amended to read:

71.2 Subd. 10. **Variance Permissions.** (a) Notwithstanding subdivision 9 and
71.3 section 14.05, subdivision 4, the Board of Teaching may grant a variance to its rules
71.4 upon application by a school district or a charter school for purposes of implementing
71.5 experimental programs in learning or management.

71.6 (b) To enable a school district or a charter school to meet the needs of students
71.7 enrolled in an alternative education program and to enable licensed teachers instructing
71.8 those students to satisfy content area licensure requirements, the Board of Teaching
71.9 annually may permit a licensed teacher teaching in an alternative education program to
71.10 instruct students in a content area for which the teacher is not licensed, consistent with
71.11 paragraph (a).

71.12 (c) A special education license variance issued by the Board of Teaching for a
71.13 primary employer's low-incidence region ~~shall be~~ is valid in all low-incidence regions.

71.14 (d) The Board of Teaching may issue a one-year professional license under
71.15 paragraph (a), which the board may renew two times, to allow a person holding a full
71.16 credential from the American Montessori Society, a diploma from Association Montessori
71.17 Internationale, or a certificate of completion from a program accredited by the Montessori
71.18 Accreditation Council for Teacher Education to teach in a Montessori program operated
71.19 by a school district or charter school.

71.20 (e) The Board of Teaching may grant a one-year waiver, renewable two times,
71.21 to allow individuals who hold a bachelor's degree from an accredited postsecondary
71.22 institution, demonstrate occupational competency based on at least three years of full-time
71.23 work experience in business or industry, and enroll and make satisfactory progress in
71.24 an alternative preparation program leading to certification or licensure as a career and
71.25 technical education instructor or teacher to teach career and technical education courses
71.26 offered by a school district or charter school. Consistent with this paragraph and section
71.27 136F.361, the Board of Teaching must strongly encourage teacher preparation programs
71.28 and institutions throughout Minnesota to develop alternative pathways for certifying and
71.29 licensing high school career and technical education instructors and teachers, allowing
71.30 such candidates to meet certification and licensure standards that demonstrate their content
71.31 knowledge, classroom experience, and pedagogical practices and their qualifications
71.32 based on a combination of occupational testing, professional certification or licensure, and
71.33 long-standing work experience.

71.34 **EFFECTIVE DATE.** Paragraphs (d) and (e) are effective for the 2016-2017
71.35 through 2018-2019 school years.

72.1 Sec. 33. Minnesota Statutes 2014, section 122A.16, is amended to read:

72.2 **122A.16 HIGHLY QUALIFIED TEACHER DEFINED.**

72.3 (a) A qualified teacher is one holding a valid license, under this chapter, to perform
72.4 the particular service for which the teacher is employed in a public school.

72.5 ~~(b) For the purposes of the federal No Child Left Behind Act, a highly qualified
72.6 teacher is one who holds a valid license under this chapter, including under section
72.7 122A.245, among other sections and is determined by local administrators as having
72.8 highly qualified status according to the approved Minnesota highly qualified plan.~~

72.9 ~~Teachers delivering core content instruction must be deemed highly qualified at the local
72.10 level and reported to the state via the staff automated reporting system.~~

72.11 Sec. 34. Minnesota Statutes 2014, section 122A.245, subdivision 8, is amended to read:

72.12 Subd. 8. **Highly Qualified teacher.** A person holding a valid limited-term license
72.13 under this section is a highly qualified teacher and the teacher of record under section
72.14 122A.16.

72.15 Sec. 35. Minnesota Statutes 2015 Supplement, section 122A.30, is amended to read:

72.16 **122A.30 EXEMPTION FOR TECHNICAL EDUCATION INSTRUCTORS.**

72.17 (a) Notwithstanding section 122A.15, subdivision 1, and upon approval of the local
72.18 employer school board, a person who teaches ~~in~~ as a part-time vocational or career and
72.19 technical education ~~program~~ teacher is exempt from a license requirement. Nothing in
72.20 this section shall exclude licensed career and technical educators from the definition of
72.21 "teacher" in section 122A.40, 122A.41, or 179A.03.

72.22 ~~(b) This section expires June 30, 2020.~~

72.23 Sec. 36. Minnesota Statutes 2015 Supplement, section 122A.40, subdivision 8, is
72.24 amended to read:

72.25 Subd. 8. **Development, evaluation, and peer coaching for continuing contract**
72.26 **teachers.** (a) To improve student learning and success, a school board and an exclusive
72.27 representative of the teachers in the district, consistent with paragraph (b), may develop
72.28 a teacher evaluation and peer review process for probationary and continuing contract
72.29 teachers through joint agreement. If a school board and the exclusive representative of the
72.30 teachers do not agree to an annual teacher evaluation and peer review process, then the
72.31 school board and the exclusive representative of the teachers must implement the state
72.32 teacher evaluation plan under paragraph (c). The process must include having trained

73.1 observers serve as peer coaches or having teachers participate in professional learning
73.2 communities, consistent with paragraph (b).

73.3 (b) To develop, improve, and support qualified teachers and effective teaching
73.4 practices ~~and~~, improve student learning and success, and provide all enrolled students in
73.5 a district or school with improved and equitable access to more effective and diverse
73.6 teachers, the annual evaluation process for teachers:

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

73.9 (2) must establish a three-year professional review cycle for each teacher that
73.10 includes an individual growth and development plan, a peer review process, and at least
73.11 one summative evaluation performed by a qualified and trained evaluator such as a school
73.12 administrator. For the years when a tenured teacher is not evaluated by a qualified and
73.13 trained evaluator, the teacher must be evaluated by a peer review;

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

73.15 (4) must coordinate staff development activities under sections 122A.60 and
73.16 122A.61 with this evaluation process and teachers' evaluation outcomes;

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

73.19 (6) may include job-embedded learning opportunities such as professional learning
73.20 communities;

73.21 (7) may include mentoring and induction programs for teachers, including teachers
73.22 who are members of populations underrepresented among the licensed teachers in
73.23 the district or school and who reflect the diversity of students under section 120B.35,
73.24 subdivision 3, paragraph (b), clause (2), who are enrolled in the district or school;

73.25 (8) must include an option for teachers to develop and present a portfolio
73.26 demonstrating evidence of reflection and professional growth, consistent with section
73.27 122A.18, subdivision 4, paragraph (b), and include teachers' own performance assessment
73.28 based on student work samples and examples of teachers' work, which may include video
73.29 among other activities for the summative evaluation;

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

73.34 (10) must use longitudinal data on student engagement and connection, and other
73.35 student outcome measures explicitly aligned with the elements of curriculum for which

74.1 teachers are responsible, including academic literacy, oral academic language, and
74.2 achievement of content areas of English learners;

74.3 (11) must require qualified and trained evaluators such as school administrators to
74.4 perform summative evaluations and ensure school districts and charter schools provide for
74.5 effective evaluator training specific to teacher development and evaluation;

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

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

74.13 Data on individual teachers generated under this subdivision are personnel data
74.14 under section 13.43. The observation and interview notes of peer coaches may only be
74.15 disclosed to other school officials with the consent of the teacher being coached.

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

74.29 (d) Consistent with the measures of teacher effectiveness under this subdivision:

74.30 (1) for students in kindergarten through grade 4, a school administrator must not
74.31 place or approve the placement of a student in the classroom of a teacher who is in the
74.32 improvement process referenced in paragraph (b), clause (12), or has not had a summative
74.33 evaluation if, in the prior year, that student was in the classroom of a teacher who received
74.34 discipline pursuant to paragraph (b), clause (13), unless no other teacher at the school
74.35 teaches that grade; and

75.1 (2) for students in grades 5 through 12, a school administrator must not place
75.2 or approve the placement of a student in the classroom of a teacher who is in the
75.3 improvement process referenced in paragraph (b), clause (12), or has not had a summative
75.4 evaluation if, in the prior year, that student was in the classroom of a teacher who received
75.5 discipline pursuant to paragraph (b), clause (13), unless no other teacher at the school
75.6 teaches that subject area and grade.

75.7 All data created and used under this paragraph retains its classification under chapter 13.

75.8 **EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and
75.9 later.

75.10 Sec. 37. Minnesota Statutes 2014, section 122A.40, subdivision 10, is amended to read:

75.11 Subd. 10. **Negotiated unrequested leave of absence.** The school board and the
75.12 exclusive bargaining representative of the teachers ~~may~~ must negotiate a plan providing for
75.13 unrequested leave of absence without pay or fringe benefits for as many teachers as may
75.14 be necessary because of discontinuance of position, lack of pupils, financial limitations, or
75.15 merger of classes caused by consolidation of districts. ~~Failing to successfully negotiate such~~
75.16 ~~a plan, the provisions of subdivision 11 shall apply. The negotiated plan must not include~~
75.17 ~~provisions which would result in the exercise of seniority by a teacher holding a provisional~~
75.18 ~~license, other than a vocational education license, contrary to the provisions of subdivision~~
75.19 ~~11, paragraph (c), or the reinstatement of a teacher holding a provisional license, other~~
75.20 ~~than a vocational education license, contrary to the provisions of subdivision 11, paragraph~~
75.21 ~~(c). The provisions of section 179A.16 do not apply for the purposes of this subdivision.~~

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

75.23 Sec. 38. Minnesota Statutes 2015 Supplement, section 122A.41, subdivision 5, is
75.24 amended to read:

75.25 Subd. 5. **Development, evaluation, and peer coaching for continuing contract**
75.26 **teachers.** (a) To improve student learning and success, a school board and an exclusive
75.27 representative of the teachers in the district, consistent with paragraph (b), may develop an
75.28 annual teacher evaluation and peer review process for probationary and nonprobationary
75.29 teachers through joint agreement. If a school board and the exclusive representative of
75.30 the teachers in the district do not agree to an annual teacher evaluation and peer review
75.31 process, then the school board and the exclusive representative of the teachers must
75.32 implement the state teacher evaluation plan developed under paragraph (c). The process

76.1 must include having trained observers serve as peer coaches or having teachers participate
76.2 in professional learning communities, consistent with paragraph (b).

76.3 (b) To develop, improve, and support qualified teachers and effective teaching
76.4 practices and improve student learning and success, and provide all enrolled students in
76.5 a district or school with improved and equitable access to more effective and diverse
76.6 teachers, the annual evaluation process for teachers:

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

76.9 (2) must establish a three-year professional review cycle for each teacher that
76.10 includes an individual growth and development plan, a peer review process, and at least
76.11 one summative evaluation performed by a qualified and trained evaluator such as a school
76.12 administrator;

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

76.14 (4) must coordinate staff development activities under sections 122A.60 and
76.15 122A.61 with this evaluation process and teachers' evaluation outcomes;

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

76.18 (6) may include job-embedded learning opportunities such as professional learning
76.19 communities;

76.20 (7) may include mentoring and induction programs for teachers, including teachers
76.21 who are members of populations underrepresented among the licensed teachers in
76.22 the district or school and who reflect the diversity of students under section 120B.35,
76.23 subdivision 3, paragraph (b), clause (2), who are enrolled in the district or school;

76.24 (8) must include an option for teachers to develop and present a portfolio
76.25 demonstrating evidence of reflection and professional growth, consistent with section
76.26 122A.18, subdivision 4, paragraph (b), and include teachers' own performance assessment
76.27 based on student work samples and examples of teachers' work, which may include video
76.28 among other activities for the summative evaluation;

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

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

77.1 (11) must require qualified and trained evaluators such as school administrators to
77.2 perform summative evaluations and ensure school districts and charter schools provide for
77.3 effective evaluator training specific to teacher development and evaluation;

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

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

77.11 Data on individual teachers generated under this subdivision are personnel data
77.12 under section 13.43. The observation and interview notes of peer coaches may only be
77.13 disclosed to other school officials with the consent of the teacher being coached.

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

77.27 (d) Consistent with the measures of teacher effectiveness under this subdivision:

77.28 (1) for students in kindergarten through grade 4, a school administrator must not
77.29 place or approve the placement of a student in the classroom of a teacher who is in the
77.30 improvement process referenced in paragraph (b), clause (12), or has not had a summative
77.31 evaluation if, in the prior year, that student was in the classroom of a teacher who received
77.32 discipline pursuant to paragraph (b), clause (13), unless no other teacher at the school
77.33 teaches that grade; and

77.34 (2) for students in grades 5 through 12, a school administrator must not place
77.35 or approve the placement of a student in the classroom of a teacher who is in the
77.36 improvement process referenced in paragraph (b), clause (12), or has not had a summative

78.1 evaluation if, in the prior year, that student was in the classroom of a teacher who received
78.2 discipline pursuant to paragraph (b), clause (13), unless no other teacher at the school
78.3 teaches that subject area and grade.

78.4 All data created and used under this paragraph retains its classification under chapter 13.

78.5 **EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and
78.6 later.

78.7 Sec. 39. Minnesota Statutes 2014, section 122A.41, is amended by adding a
78.8 subdivision to read:

78.9 Subd. 14a. **Negotiated unrequested leave of absence.** The school board and the
78.10 exclusive bargaining representative of the teachers must negotiate a plan providing for
78.11 unrequested leave of absence without pay or fringe benefits for as many teachers as may
78.12 be necessary because of discontinuance of position, lack of pupils, financial limitations,
78.13 or merger of classes caused by consolidation of districts.

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

78.15 Sec. 40. Minnesota Statutes 2015 Supplement, section 122A.414, subdivision 1,
78.16 is amended to read:

78.17 Subdivision 1. **Restructured pay system.** A restructured alternative teacher
78.18 professional pay system is established under subdivision 2 to provide incentives to
78.19 encourage teachers to improve their knowledge and instructional skills in order to improve
78.20 student learning and for school districts, intermediate school districts, cooperative units,
78.21 as defined in section 123A.24, subdivision 2, and charter schools to recruit and retain
78.22 highly qualified teachers, encourage highly qualified teachers to undertake challenging
78.23 assignments, and support teachers' roles in improving students' educational achievement.

78.24 Sec. 41. Minnesota Statutes 2015 Supplement, section 122A.414, subdivision 2,
78.25 is amended to read:

78.26 Subd. 2. **Alternative teacher professional pay system.** (a) To participate in this
78.27 program, a school district, intermediate school district, school site, or charter school must
78.28 ~~have an educational improvement plan under section 122A.413~~ a world's best workforce
78.29 plan under section 120B.11 and an alternative teacher professional pay system agreement
78.30 under paragraph (b). A charter school participant also must comply with subdivision 2a.

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

- 79.1 (1) describe how teachers can achieve career advancement and additional
79.2 compensation;
- 79.3 (2) describe how the school district, intermediate school district, school site, or
79.4 charter school will provide teachers with career advancement options that allow teachers
79.5 to retain primary roles in student instruction and facilitate site-focused professional
79.6 development that helps other teachers improve their skills;
- 79.7 (3) reform the "steps and lanes" salary schedule, prevent any teacher's compensation
79.8 paid before implementing the pay system from being reduced as a result of participating in
79.9 this system, base at least 60 percent of any compensation increase on teacher performance
79.10 using:
- 79.11 (i) schoolwide student achievement gains under section 120B.35 or locally selected
79.12 standardized assessment outcomes, or both;
- 79.13 (ii) measures of student growth and literacy that may include value-added models
79.14 or student learning goals, consistent with section 122A.40, subdivision 8, paragraph
79.15 (b), clause (9), or 122A.41, subdivision 5, paragraph (b), clause (9), and other measures
79.16 that include the academic literacy, oral academic language, and achievement of English
79.17 learners under section 122A.40, subdivision 8, paragraph (b), clause (10), or 122A.41,
79.18 subdivision 5, paragraph (b), clause (10); and
- 79.19 (iii) an objective evaluation program under section 122A.40, subdivision 8,
79.20 paragraph (b), clause (2), or 122A.41, subdivision 5, paragraph (b), clause (2);
- 79.21 (4) provide for participation in job-embedded learning opportunities such as
79.22 professional learning communities to improve instructional skills and learning that are
79.23 aligned with student needs under section ~~122A.413~~ 120B.11, consistent with the staff
79.24 development plan under section 122A.60 and led during the school day by trained teacher
79.25 leaders such as master or mentor teachers;
- 79.26 (5) allow any teacher in a participating school district, intermediate school district,
79.27 school site, or charter school that implements an alternative pay system to participate in
79.28 that system without any quota or other limit; and
- 79.29 (6) encourage collaboration rather than competition among teachers.
- 79.30 (c) The alternative teacher professional pay system may:
- 79.31 (1) include a hiring bonus or other added compensation for teachers who are
79.32 identified as effective or highly effective under the local teacher professional review
79.33 cycle and work in a hard-to-fill position or in a hard-to-staff school such as a school with
79.34 a majority of students whose families meet federal poverty guidelines, a geographically
79.35 isolated school, or a school identified by the state as eligible for targeted programs or
79.36 services for its students; and

80.1 (2) include incentives for teachers to obtain a master's degree or other advanced
80.2 certification in their content field of licensure, pursue the training or education necessary
80.3 to obtain an additional licensure in shortage areas identified by the district or charter
80.4 school, or help fund a "grow your own" new teacher initiative.

80.5 Sec. 42. Minnesota Statutes 2015 Supplement, section 122A.414, subdivision 2b,
80.6 is amended to read:

80.7 Subd. 2b. **Approval process.** (a) Consistent with the requirements of this section
80.8 and ~~sections 122A.413 and~~ section 122A.415, the department must prepare and transmit
80.9 to interested school districts, intermediate school districts, cooperatives, school sites,
80.10 and charter schools a standard form for applying to participate in the alternative teacher
80.11 professional pay system. The commissioner annually must establish three dates as
80.12 deadlines by which interested applicants must submit an application to the commissioner
80.13 under this section. An interested school district, intermediate school district, cooperative,
80.14 school site, or charter school must submit to the commissioner a completed application
80.15 executed by the district superintendent and the exclusive bargaining representative of the
80.16 teachers if the applicant is a school district, intermediate school district, or school site, or
80.17 executed by the charter school board of directors if the applicant is a charter school or
80.18 executed by the governing board if the applicant is a cooperative unit. The application
80.19 must include the proposed alternative teacher professional pay system agreement under
80.20 subdivision 2. The department must review a completed application within 30 days of
80.21 the most recent application deadline and recommend to the commissioner whether to
80.22 approve or disapprove the application. The commissioner must approve applications
80.23 on a first-come, first-served basis. The applicant's alternative teacher professional pay
80.24 system agreement must be legally binding on the applicant and the collective bargaining
80.25 representative before the applicant receives alternative compensation revenue. The
80.26 commissioner must approve or disapprove an application based on the requirements
80.27 under subdivisions 2 and 2a.

80.28 (b) If the commissioner disapproves an application, the commissioner must give the
80.29 applicant timely notice of the specific reasons in detail for disapproving the application.
80.30 The applicant may revise and resubmit its application and related documents to the
80.31 commissioner within 30 days of receiving notice of the commissioner's disapproval and
80.32 the commissioner must approve or disapprove the revised application, consistent with this
80.33 subdivision. Applications that are revised and then approved are considered submitted on
80.34 the date the applicant initially submitted the application.

81.1 Sec. 43. Minnesota Statutes 2014, section 122A.4144, is amended to read:

81.2 **122A.4144 SUPPLEMENTAL AGREEMENTS; ALTERNATIVE TEACHER**
81.3 **PAY.**

81.4 Notwithstanding section 179A.20 or other law to the contrary, a school board and
81.5 the exclusive representative of the teachers may agree to reopen a collective bargaining
81.6 agreement for the purpose of entering into an alternative teacher professional pay system
81.7 agreement under sections ~~122A.413~~, 122A.414, and 122A.415. Negotiations for a contract
81.8 reopened under this section must be limited to issues related to the alternative teacher
81.9 professional pay system.

81.10 Sec. 44. Minnesota Statutes 2014, section 122A.416, is amended to read:

81.11 **122A.416 ALTERNATIVE TEACHER COMPENSATION REVENUE**
81.12 **FOR PERPICH CENTER FOR ARTS EDUCATION AND MULTIDISTRICT**
81.13 **INTEGRATION COLLABORATIVES.**

81.14 Notwithstanding sections ~~122A.413~~, 122A.414, 122A.415, and 126C.10,
81.15 multidistrict integration collaboratives and the Perpich Center for Arts Education are
81.16 eligible to receive alternative teacher compensation revenue as if they were intermediate
81.17 school districts. To qualify for alternative teacher compensation revenue, a multidistrict
81.18 integration collaborative or the Perpich Center for Arts Education must meet all of the
81.19 requirements of sections ~~122A.413~~, 122A.414, and 122A.415 that apply to intermediate
81.20 school districts, must report its enrollment as of October 1 of each year to the department,
81.21 and must annually report its expenditures for the alternative teacher professional pay
81.22 system consistent with the uniform financial accounting and reporting standards to the
81.23 department by November 30 of each year.

81.24 Sec. 45. Minnesota Statutes 2014, section 122A.42, is amended to read:

81.25 **122A.42 GENERAL CONTROL OF SCHOOLS.**

81.26 (a) The teacher of record shall have the general control and government of the
81.27 school and classroom. When more than one teacher is employed in any district, one of the
81.28 teachers may be designated by the board as principal and shall have the general control
81.29 and supervision of the schools of the district, subject to the general supervisory control
81.30 of the board and other officers.

81.31 (b) Consistent with paragraph (a), the teacher may remove students from class under
81.32 section 121A.61, subdivision 2, for violent or disruptive conduct or other misconduct.

82.1 **EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and
82.2 later.

82.3 Sec. 46. **[122A.421] SCHOOL CLIMATE AND SAFETY.**

82.4 Beginning with agreements effective July 1, 2017, and thereafter, all collective
82.5 bargaining agreements for teachers under chapter 179A may include school climate
82.6 and student and staff safety provisions related to establishing and maintaining safe and
82.7 supportive classrooms and school sites and a districtwide educational climate that is
82.8 conducive to student learning and a supportive working environment for teachers and
82.9 other staff.

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

82.11 Sec. 47. Minnesota Statutes 2015 Supplement, section 122A.60, subdivision 4, is
82.12 amended to read:

82.13 Subd. 4. **Staff development report.** ~~(a) By October 15 of each year,~~ The district
82.14 and site staff development committees shall write ~~and submit~~ a report of staff development
82.15 activities and expenditures for the previous year; ~~in the form and manner determined by~~
82.16 ~~the commissioner.~~ The report, signed by the district superintendent and staff development
82.17 chair, must include assessment and evaluation data indicating progress toward district and
82.18 site staff development goals based on teaching and learning outcomes, including the
82.19 percentage of teachers and other staff involved in instruction who participate in effective
82.20 staff development activities under subdivision 3 as part of the district's world's best
82.21 workforce report under section 120B.11, subdivision 5.

82.22 (b) The report must break down expenditures for:

82.23 (1) curriculum development and curriculum training programs; and

82.24 (2) staff development training models, workshops, and conferences, and the cost of
82.25 releasing teachers or providing substitute teachers for staff development purposes.

82.26 The report also must indicate whether the expenditures were incurred at the district
82.27 level or the school site level, and whether the school site expenditures were made possible
82.28 by grants to school sites that demonstrate exemplary use of allocated staff development
82.29 revenue. These expenditures must be reported using the uniform financial and accounting
82.30 and reporting standards.

82.31 ~~(c) The commissioner shall report the staff development progress and expenditure~~
82.32 ~~data to the house of representatives and senate committees having jurisdiction over~~
82.33 ~~education by February 15 each year.~~

83.1 Sec. 48. Minnesota Statutes 2014, section 122A.72, subdivision 5, is amended to read:

83.2 Subd. 5. **Center functions.** (a) A teacher center shall perform functions according
83.3 to this subdivision. The center shall assist teachers, diagnose learning needs, experiment
83.4 with the use of multiple instructional approaches, assess pupil outcomes, assess staff
83.5 development needs and plans, and teach school personnel about effective pedagogical
83.6 approaches. The center shall develop and produce curricula and curricular materials
83.7 designed to meet the educational needs of pupils being served, by applying educational
83.8 research and new and improved methods, practices, and techniques. The center shall
83.9 provide programs to improve the skills of teachers to meet the special educational needs of
83.10 pupils. The center shall provide programs to familiarize teachers with developments in
83.11 curriculum formulation and educational research, including how research can be used to
83.12 improve teaching skills. The center shall facilitate sharing of resources, ideas, methods,
83.13 and approaches directly related to classroom instruction and improve teachers' familiarity
83.14 with current teaching materials and products for use in their classrooms. The center shall
83.15 provide in-service programs.

83.16 (b) Each teacher center must provide a professional development program to train
83.17 interested and highly qualified elementary, middle, and secondary teachers, selected by the
83.18 employing school district, to assist other teachers in that district with mathematics and
83.19 science curriculum, standards, and instruction so that all teachers have access to:

83.20 (1) high quality professional development programs in mathematics and science that
83.21 address curriculum, instructional methods, alignment of standards, and performance
83.22 measurements, enhance teacher and student learning, and support state mathematics and
83.23 science standards; and

83.24 (2) research-based mathematics and science programs and instructional models
83.25 premised on best practices that inspire teachers and students and have practical classroom
83.26 application.

83.27 Sec. 49. Minnesota Statutes 2014, section 123B.147, subdivision 3, is amended to read:

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

83.33 (b) To enhance a principal's leadership skills and support and improve teaching
83.34 practices, school performance, and student achievement for diverse student populations,
83.35 including at-risk students, children with disabilities, English learners, and gifted students,

84.1 among others, a district must develop and implement a performance-based system for
84.2 annually evaluating school principals assigned to supervise a school building within the
84.3 district. The evaluation must be designed to improve teaching and learning by supporting
84.4 the principal in shaping the school's professional environment and developing teacher
84.5 quality, performance, and effectiveness. The annual evaluation must:

84.6 (1) support and improve a principal's instructional leadership, organizational
84.7 management, and professional development, and strengthen the principal's capacity in the
84.8 areas of instruction, supervision, evaluation, and teacher development by, among other
84.9 things, hiring, supporting, and retaining a diverse teaching staff that reflects the diversity
84.10 of students under section 120B.35, subdivision 3, paragraph (b), clause (2), who are
84.11 enrolled in the district or school;

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

84.14 (3) be consistent with a principal's job description, a district's long-term plans and
84.15 goals, and the principal's own professional multiyear growth plans and goals, all of which
84.16 must support the principal's leadership behaviors and practices, rigorous curriculum,
84.17 school performance, students' improved and equitable access to effective and more diverse
84.18 teachers, and high-quality instruction;

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

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

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

84.25 (7) be linked to professional development that emphasizes improved teaching and
84.26 learning, curriculum and instruction, student learning, ~~and~~ a collaborative professional
84.27 culture, and students' increased and equitable access to effective and more diverse
84.28 teachers, consistent with attaining the world's best workforce under section 120B.11,
84.29 subdivision 1, paragraph (c); and

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

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

85.1 **EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and
85.2 later.

85.3 Sec. 50. Minnesota Statutes 2014, section 123B.49, subdivision 4, is amended to read:

85.4 Subd. 4. **Board control of extracurricular activities.** (a) The board may take
85.5 charge of and control all extracurricular activities of the teachers and children of the public
85.6 schools in the district. Extracurricular activities means all direct and personal services for
85.7 pupils for their enjoyment that are managed and operated under the guidance of an adult
85.8 or staff member. The board shall allow all resident pupils receiving instruction in a home
85.9 school as defined in section 123B.36, subdivision 1, paragraph (a), and all resident pupils
85.10 enrolled full-time in an online public school program to be eligible to fully participate in
85.11 extracurricular activities on the same basis as public school students.

85.12 (b) Extracurricular activities have all of the following characteristics:

85.13 (1) they are not offered for school credit nor required for graduation;

85.14 (2) they are generally conducted outside school hours, or if partly during school
85.15 hours, at times agreed by the participants, and approved by school authorities;

85.16 (3) the content of the activities is determined primarily by the pupil participants
85.17 under the guidance of a staff member or other adult.

85.18 (c) If the board does not take charge of and control extracurricular activities, these
85.19 activities shall be self-sustaining with all expenses, except direct salary costs and indirect
85.20 costs of the use of school facilities, met by dues, admissions, or other student fund-raising
85.21 events. The general fund must reflect only those salaries directly related to and readily
85.22 identified with the activity and paid by public funds. Other revenues and expenditures for
85.23 extra curricular activities must be recorded according to the Manual for Activity Fund
85.24 Accounting. Extracurricular activities not under board control must have an annual
85.25 financial audit and must also be audited annually for compliance with this section.

85.26 (d) If the board takes charge of and controls extracurricular activities, any or all
85.27 costs of these activities may be provided from school revenues and all revenues and
85.28 expenditures for these activities shall be recorded in the same manner as other revenues
85.29 and expenditures of the district.

85.30 (e) If the board takes charge of and controls extracurricular activities, the teachers or
85.31 pupils in the district must not participate in such activity, nor shall the school name or any
85.32 allied name be used in connection therewith, except by consent and direction of the board.

85.33 **EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and
85.34 later.

86.1 Sec. 51. Minnesota Statutes 2015 Supplement, section 124D.231, subdivision 2,
86.2 is amended to read:

86.3 Subd. 2. **Full-service community school program.** (a) The commissioner shall
86.4 provide funding to eligible school sites to plan, implement, and improve full-service
86.5 community schools. Eligible school sites must meet one of the following criteria:

86.6 (1) the school is on a development plan for continuous improvement under section
86.7 120B.35, subdivision 2; or

86.8 (2) the school is in a district that has an achievement and integration plan approved
86.9 by the commissioner of education under sections 124D.861 and 124D.862.

86.10 (b) An eligible school site may receive up to \$100,000 annually. School sites
86.11 receiving funding under this section shall hire or contract with a partner agency to hire a
86.12 site coordinator to coordinate services at each covered school site.

86.13 (c) Implementation funding of up to \$20,000 must be available for up to one year for
86.14 planning for school sites. At the end of this period, the school must submit a full-service
86.15 community school plan, pursuant to paragraph (g).

86.16 (d) The commissioner shall dispense the funds to schools with significant populations
86.17 of students receiving free or reduced-price lunches. Schools with significant homeless and
86.18 highly mobile students shall also be a priority. The commissioner must also dispense the
86.19 funds in a manner to ensure equity among urban, suburban, and greater Minnesota schools.

86.20 (e) A school site must establish a school leadership team responsible for developing
86.21 school-specific programming goals, assessing program needs, and overseeing the process
86.22 of implementing expanded programming at each covered site. The school leadership team
86.23 shall have between 12 to 15 members and shall meet the following requirements:

86.24 (1) at least 30 percent of the members are parents and 30 percent of the members
86.25 are teachers at the school site and must include the school principal and representatives
86.26 from partner agencies; and

86.27 (2) the school leadership team must be responsible for overseeing the baseline
86.28 analyses under paragraph (f). A school leadership team must have ongoing responsibility
86.29 for monitoring the development and implementation of full-service community school
86.30 operations and programming at the school site and shall issue recommendations to schools
86.31 on a regular basis and summarized in an annual report. These reports shall also be made
86.32 available to the public at the school site and on school and district Web sites.

86.33 (f) School sites must complete a baseline analysis prior to beginning programming
86.34 as a full-service community school. The analysis shall include:

86.35 (1) a baseline analysis of needs at the school site, led by the school leadership team,
86.36 which shall include the following elements:

- 87.1 (i) identification of challenges facing the school;
- 87.2 (ii) analysis of the student body, including:
- 87.3 (A) number and percentage of students with disabilities and needs of these students;
- 87.4 (B) number and percentage of students who are English learners and the needs of
- 87.5 these students;
- 87.6 (C) number of students who are homeless or highly mobile; and
- 87.7 (D) number and percentage of students receiving free or reduced-price lunch and the
- 87.8 needs of these students;
- 87.9 (iii) analysis of enrollment and retention rates for students with disabilities,
- 87.10 English learners, homeless and highly mobile students, and students receiving free or
- 87.11 reduced-price lunch;
- 87.12 (iv) analysis of suspension and expulsion data, including the justification for such
- 87.13 disciplinary actions and the degree to which particular populations, including, but not
- 87.14 limited to, students of color, students with disabilities, students who are English learners,
- 87.15 and students receiving free or reduced-price lunch are represented among students subject
- 87.16 to such actions;
- 87.17 (v) analysis of school achievement data disaggregated by major demographic
- 87.18 categories, including, but not limited to, race, ethnicity, English learner status, disability
- 87.19 status, and free or reduced-price lunch status;
- 87.20 (vi) analysis of current parent engagement strategies and their success; and
- 87.21 (vii) evaluation of the need for and availability of wraparound services, including,
- 87.22 but not limited to:
- 87.23 (A) mechanisms for meeting students' social, emotional, and physical health needs,
- 87.24 which may include coordination of existing services as well as the development of new
- 87.25 services based on student needs; and
- 87.26 (B) strategies to create a safe and secure school environment and improve school
- 87.27 climate and discipline, such as implementing a system of positive behavioral supports, and
- 87.28 taking additional steps to eliminate bullying;
- 87.29 (2) a baseline analysis of community assets and a strategic plan for utilizing
- 87.30 and aligning identified assets. This analysis should include, but is not limited to, a
- 87.31 documentation of individuals in the community, faith-based organizations, community and
- 87.32 neighborhood associations, colleges, hospitals, libraries, businesses, and social service
- 87.33 agencies who may be able to provide support and resources; and
- 87.34 (3) a baseline analysis of needs in the community surrounding the school, led by
- 87.35 the school leadership team, including, but not limited to:

- 88.1 (i) the need for high-quality, full-day child care and early childhood education
88.2 programs;
- 88.3 (ii) the need for physical and mental health care services for children and adults; and
88.4 (iii) the need for job training and other adult education programming.
- 88.5 (g) Each school site receiving funding under this section must establish at least two
88.6 of the following types of programming:
- 88.7 (1) early childhood:
- 88.8 (i) early childhood education; and
88.9 (ii) child care services;
- 88.10 (2) academic:
- 88.11 (i) academic support and enrichment activities, including expanded learning time;
88.12 (ii) summer or after-school enrichment and learning experiences;
88.13 (iii) job training, internship opportunities, and career counseling services;
88.14 (iv) programs that provide assistance to students who have been truant, suspended,
88.15 or expelled; and
- 88.16 (v) specialized instructional support services;
- 88.17 (3) parental involvement:
- 88.18 (i) programs that promote parental involvement and family literacy, ~~including the~~
88.19 ~~Reading First and Early Reading First programs authorized under part B of title I of the~~
88.20 ~~Elementary and Secondary Education Act of 1965, United States Code, title 20, section~~
88.21 ~~6361, et seq.;~~
- 88.22 (ii) parent leadership development activities; and
88.23 (iii) parenting education activities;
- 88.24 (4) mental and physical health:
- 88.25 (i) mentoring and other youth development programs, including peer mentoring and
88.26 conflict mediation;
- 88.27 (ii) juvenile crime prevention and rehabilitation programs;
88.28 (iii) home visitation services by teachers and other professionals;
88.29 (iv) developmentally appropriate physical education;
88.30 (v) nutrition services;
88.31 (vi) primary health and dental care; and
88.32 (vii) mental health counseling services;
- 88.33 (5) community involvement:
- 88.34 (i) service and service-learning opportunities;
88.35 (ii) adult education, including instruction in English as a second language; and
88.36 (iii) homeless prevention services;

89.1 (6) positive discipline practices; and
 89.2 (7) other programming designed to meet school and community needs identified in
 89.3 the baseline analysis and reflected in the full-service community school plan.

89.4 (h) The school leadership team at each school site must develop a full-service
 89.5 community school plan detailing the steps the school leadership team will take, including:

89.6 (1) timely establishment and consistent operation of the school leadership team;

89.7 (2) maintenance of attendance records in all programming components;

89.8 (3) maintenance of measurable data showing annual participation and the impact
 89.9 of programming on the participating children and adults;

89.10 (4) documentation of meaningful and sustained collaboration between the school
 89.11 and community stakeholders, including local governmental units, civic engagement
 89.12 organizations, businesses, and social service providers;

89.13 (5) establishment and maintenance of partnerships with institutions, such as
 89.14 universities, hospitals, museums, or not-for-profit community organizations to further the
 89.15 development and implementation of community school programming;

89.16 (6) ensuring compliance with the district nondiscrimination policy; and

89.17 (7) plan for school leadership team development.

89.18 Sec. 52. Minnesota Statutes 2014, section 124D.59, is amended by adding a
 89.19 subdivision to read:

89.20 Subd. 9. **English learner data.** When data on English learners are reported for
 89.21 purposes of educational accountability, English learner data must include all pupils
 89.22 enrolled in a Minnesota public school course or program who are currently or were
 89.23 previously counted as English learners under this section.

89.24 **EFFECTIVE DATE.** This section is effective for the 2017-2018 school year and
 89.25 later.

89.26 Sec. 53. Minnesota Statutes 2015 Supplement, section 124D.73, subdivision 4, is
 89.27 amended to read:

89.28 Subd. 4. **Participating school; American Indian school.** "Participating school"
 89.29 and "American Indian school" mean a school that:

89.30 (1) is not operated by a school district; and

89.31 (2) is eligible for a grant under federal Title ~~VH~~ VI of the Elementary and Secondary
 89.32 Education Act for the education of American Indian children.

89.33 Sec. 54. Minnesota Statutes 2014, section 124D.861, subdivision 1, is amended to read:

90.1 Subdivision 1. **Program to close the academic achievement and opportunity gap;**
 90.2 **revenue uses.** (a) The "Achievement and Integration for Minnesota" program is established
 90.3 to pursue racial and economic integration and increase student academic achievement,
 90.4 create equitable educational opportunities, and reduce academic disparities based on
 90.5 students' diverse racial, ethnic, and economic backgrounds in Minnesota public schools.

90.6 (b) For purposes of this section and section 124D.862, "eligible district" ~~means a~~
 90.7 ~~district required to submit a plan to the commissioner under Minnesota Rules governing~~
 90.8 ~~school desegregation and integration, or be a member of a multidistrict integration~~
 90.9 ~~collaborative that files a plan with the commissioner~~ has the meaning given in subdivision
 90.10 1a.

90.11 (c) Eligible districts must use the revenue under section 124D.862 to pursue
 90.12 academic achievement and racial and economic integration through: (1) integrated
 90.13 learning environments that prepare all students to be effective citizens and enhance
 90.14 social cohesion; (2) policies and curricula and trained instructors, administrators, school
 90.15 counselors, and other advocates to support and enhance integrated learning environments
 90.16 under this section, including through magnet schools, innovative, research-based
 90.17 instruction, differentiated instruction, and targeted interventions to improve achievement;
 90.18 and (3) rigorous career and college readiness programs for underserved student
 90.19 populations, consistent with section 120B.30, subdivision 1; integrated learning
 90.20 environments to increase student academic achievement; cultural fluency, competency,
 90.21 and interaction; graduation and educational attainment rates; and parent involvement.

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

90.23 Sec. 55. Minnesota Statutes 2014, section 124D.861, is amended by adding a
 90.24 subdivision to read:

90.25 Subd. 1a. **Definitions.** (a) "Racially identifiable school within a district" means a
 90.26 school where the enrollment of protected students at the school within a district is more
 90.27 than 20 percentage points above the enrollment of protected students in the entire district
 90.28 for the grade levels served by that school.

90.29 (b) "Racially isolated school district" means a district where the districtwide
 90.30 enrollment of protected students exceeds the enrollment of protected students of any
 90.31 adjoining district by more than 20 percentage points.

90.32 (c) "School" means a site in a public school district serving any of kindergarten
 90.33 through grade 12. For purposes of this section and section 124D.862, school does not mean:

90.34 (1) a charter school under chapter 124E;

90.35 (2) an area learning center under section 123A.05;

- 91.1 (3) a public alternative program under section 126C.05, subdivision 15;
 91.2 (4) a contracted alternative program under section 124D.69;
 91.3 (5) a school site specifically designed to address limited English proficiency;
 91.4 (6) a school site specifically designed to address the needs of students with an
 91.5 individualized education program (IEP); or
 91.6 (7) a secure or nonsecure treatment facility licensed by the Department of Human
 91.7 Services or the Department of Corrections.
- 91.8 (d) "Eligible district" means:
 91.9 (1) a racially isolated independent, common, or special school district;
 91.10 (2) an adjoining, independent, common, or special school district that files a plan
 91.11 with the commissioner; or
 91.12 (3) an independent, common, or special school district that is a member of a
 91.13 multidistrict integration collaborative that files a plan with the commissioner.

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

91.15 Sec. 56. Minnesota Statutes 2014, section 124D.861, as amended by Laws 2015,
 91.16 chapter 21, article 1, section 20, is amended to read:

91.17 **124D.861 ACHIEVEMENT AND INTEGRATION FOR MINNESOTA.**

91.18 Subdivision 1. **Program to close the academic achievement and opportunity gap;**
 91.19 **revenue uses.** (a) The "Achievement and Integration for Minnesota" program is established
 91.20 to pursue racial and economic integration and increase student academic achievement,
 91.21 create equitable educational opportunities, and reduce academic disparities based on
 91.22 students' diverse racial, ethnic, and economic backgrounds in Minnesota public schools.

91.23 (b) For purposes of this section and section 124D.862, "eligible district" means a
 91.24 district required to submit a plan to the commissioner under Minnesota Rules governing
 91.25 school desegregation and integration, or be a member of a multidistrict integration
 91.26 collaborative that files a plan with the commissioner.

91.27 (c) Eligible districts must use the revenue under section 124D.862 to pursue
 91.28 academic achievement and racial and economic integration through:

- 91.29 (1) integrated learning environments that give students improved and equitable
 91.30 access to effective and more diverse teachers, prepare all students to be effective citizens,
 91.31 and enhance social cohesion;
 91.32 (2) policies and curricula and trained instructors, administrators, school counselors,
 91.33 and other advocates to support and enhance integrated learning environments under
 91.34 this section, including through magnet schools, innovative, research-based instruction,

92.1 differentiated instruction, improved and equitable access to effective and diverse teachers,
 92.2 and targeted interventions to improve achievement; and

92.3 (3) rigorous career and college readiness programs and effective and more diverse
 92.4 instructors for underserved student populations, consistent with section 120B.30,
 92.5 subdivision 1; integrated learning environments to increase student academic achievement;
 92.6 cultural fluency, competency, and interaction; graduation and educational attainment rates;
 92.7 and parent involvement.

92.8 (d) Consistent with paragraph (c), eligible districts may adopt policies to increase the
 92.9 diversity of district teachers and administrators using the revenue under section 124D.862
 92.10 for recruitment, retention, and hiring incentives or additional compensation.

92.11 Subd. 2. **Plan implementation; components.** (a) The school board of each eligible
 92.12 district must formally develop and implement a long-term plan under this section. The plan
 92.13 must be incorporated into the district's comprehensive strategic plan under section 120B.11.
 92.14 Plan components may include: innovative and integrated prekindergarten through grade 12
 92.15 learning environments that offer students school enrollment choices; family engagement
 92.16 initiatives that involve families in their students' academic life and success; professional
 92.17 development opportunities for teachers and administrators focused on improving the
 92.18 academic achievement of all students, including teachers and administrators who are
 92.19 members of populations underrepresented among the licensed teachers or administrators
 92.20 in the district or school and who reflect the diversity of students under section 120B.35,
 92.21 subdivision 3, paragraph (b), clause (2), who are enrolled in the district or school;

92.22 increased programmatic opportunities and effective and more diverse instructors focused
 92.23 on rigor and college and career readiness for underserved students, including students
 92.24 enrolled in alternative learning centers under section 123A.05, public alternative programs
 92.25 under section 126C.05, subdivision 15, and contract alternative programs under section
 92.26 124D.69, among other underserved students; or recruitment and retention of teachers and
 92.27 administrators with diverse racial and ethnic backgrounds. The plan must contain goals for:

92.28 (1) reducing the disparities in academic achievement and in equitable access to
 92.29 effective and more diverse teachers among all students and specific categories of students
 92.30 under section 120B.35, subdivision 3, paragraph (b), excluding the student categories of
 92.31 gender, disability, and English learners; and

92.32 (2) increasing racial and economic diversity and integration in schools and districts.

92.33 (b) Among other requirements, an eligible district must implement effective,
 92.34 research-based interventions that include formative assessment practices to reduce the
 92.35 disparities in student academic performance among the specific categories of students as

93.1 measured by student progress and growth on state reading and math assessments and
93.2 as aligned with section 120B.11.

93.3 (c) Eligible districts must create efficiencies and eliminate duplicative programs
93.4 and services under this section, which may include forming collaborations or a single,
93.5 seven-county metropolitan areawide partnership of eligible districts for this purpose.

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

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

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

93.23 (d) The longitudinal data required under paragraph (b) must be based on student
93.24 growth and progress in reading and mathematics, as defined under section 120B.30,
93.25 subdivision 1, and student performance data and achievement reports from fully adaptive
93.26 reading and mathematics assessments for grades 3 through 7 beginning in the 2015-2016
93.27 school year under section 120B.30, subdivision 1a, and either (i) school enrollment
93.28 choices, (ii) the number of world language proficiency or high achievement certificates
93.29 awarded under section 120B.022, subdivision 1a, or the number of state bilingual and
93.30 multilingual seals issued under section 120B.022, subdivision 1b, or (iii) school safety
93.31 and students' engagement and connection at school under section 120B.35, subdivision 3,
93.32 paragraph (d). Additional longitudinal data may be based on: students' progress toward
93.33 career and college readiness under section 120B.30, subdivision 1; or rigorous coursework
93.34 completed under section 120B.35, subdivision 3, paragraph (c), clause (2).

93.35 Subd. 4. **Timeline and implementation.** A board must approve its plan and submit
93.36 it to the department by March 15. If a district that is part of a multidistrict council applies

94.1 for revenue for a plan, the individual district shall not receive revenue unless it ratifies
94.2 the plan adopted by the multidistrict council. Each plan has a term of three years. For
94.3 the 2014-2015 school year, an eligible district under this section must submit its plan to
94.4 the commissioner for review by March 15, 2014. For the 2013-2014 school year only,
94.5 an eligible district may continue to implement its current plan until the commissioner
94.6 approves a new plan under this section.

94.7 **Subd. 5. Evaluation.** The commissioner must evaluate the efficacy of district
94.8 plans in reducing the disparities in student academic performance among the specified
94.9 categories of students within the district, improving students' equitable access to effective
94.10 and diverse teachers, and in realizing racial and economic diversity and integration.
94.11 The commissioner shall report evaluation results to the kindergarten through grade 12
94.12 education committees of the legislature by February 1 of every odd-numbered year.

94.13 **EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and
94.14 later.

94.15 **Sec. 57. [124D.8957] PREKINDERGARTEN THROUGH GRADE 12**
94.16 **PARENTAL RIGHTS CODED ELSEWHERE.**

94.17 **Subdivision 1. Scope.** The sections referred to in subdivisions 2 to 30 are codified
94.18 outside this section. Those sections include many but not all the sections governing
94.19 parental rights related to topics in prekindergarten through grade 12 education.

94.20 **Subd. 2. Compulsory instruction.** Parental rights related to compulsory instruction,
94.21 including the right to withdraw a child from school; to receive notice related to transfer of
94.22 disciplinary records; to excuse a child from school for illnesses, appointments, or religious
94.23 events; and the right of noncustodial parents to access school records and conferences,
94.24 among other rights, are governed by section 120A.22.

94.25 **Subd. 3. Longitudinal data.** The parental right to annual summary longitudinal
94.26 performance and progress data is governed by section 120B.31.

94.27 **Subd. 4. Antibullying.** Parental rights related to school district antibullying
94.28 policies, including the right to be involved in developing the policies, the right to be
94.29 notified of incidents of prohibited conduct, and the right to be informed of data practices
94.30 laws, are governed by section 121A.031.

94.31 **Subd. 5. Student discipline policies.** The parental right to notice in student
94.32 discipline policies of rights under the Safe and Supportive Minnesota Schools Act is
94.33 governed by section 121A.0311.

94.34 **Subd. 6. Early childhood development screening.** Parental rights to certain notice
94.35 requirements related to early childhood development screening and to receive results of

95.1 early childhood development screening are governed by section 121A.17. The parental
95.2 right to provide consent before individual screening data may be disclosed to a school
95.3 district is governed by section 121A.18.

95.4 Subd. 7. **Chemical abuse.** The parental right to be informed of a reported case of
95.5 chemical abuse by a minor student is governed by section 121A.26.

95.6 Subd. 8. **Pesticides.** The parental right to be notified regarding the use of pesticides
95.7 at a school is governed by the Janet B. Johnson Parents' Right-to-Know Act under section
95.8 121A.30.

95.9 Subd. 9. **Student dismissal.** The parental right to notice and a meeting regarding
95.10 the removal of a student for more than ten days is governed by section 121A.45.

95.11 Subd. 10. **Exclusion and expulsion.** The parental right to be included in exclusion
95.12 or expulsion hearing procedures, including access to records, ability to testify and present
95.13 evidence, and inclusion in the student's readmission plan, is governed by section 121A.47.

95.14 Subd. 11. **Exclusion and expulsion appeal.** The parental right to notice of the right
95.15 to appeal an exclusion or expulsion decision is governed by section 121A.49.

95.16 Subd. 12. **Reinstatement after termination of dismissal.** The parental right to
95.17 notice of a student's right to be reinstated after the termination of dismissal is governed
95.18 by section 121A.54.

95.19 Subd. 13. **Interdistrict cooperation.** The parental right to notice of an
95.20 informational school board meeting relating to discontinuing interdistrict cooperation
95.21 is governed by section 123A.32.

95.22 Subd. 14. **Background checks.** The parental right to notice of a school's
95.23 background check policy for hiring teachers is governed by section 123B.03.

95.24 Subd. 15. **Textbook fees.** The parental right to notice of a school board's policy to
95.25 charge fees for textbooks lost or destroyed by students is governed by section 123B.37.

95.26 Subd. 16. **Transportation privileges.** The parental right to surrender a student's
95.27 privilege to receive transportation services from a school district is governed by section
95.28 123B.88.

95.29 Subd. 17. **Nonresident district policies.** The parental right to receive notice of: a
95.30 decision on an application by a student to attend school in a nonresident district; the
95.31 transportation policies of the nonresident district; and the right to be reimbursed for costs
95.32 of transportation to the nonresident district's border are governed by section 124D.03.

95.33 Subd. 18. **Out-of-state districts.** Under section 124D.04, the parental rights related
95.34 to a student attending a nonresident district under section 124D.03 apply to a student
95.35 attending an out-of-state district.

96.1 Subd. 19. **Free or reduced-price lunch eligibility.** The parental right to opt a child
96.2 out of disclosing a child's eligibility for free or reduced-price lunch to the Department of
96.3 Education and the Department of Human Services is governed by section 124D.1115.

96.4 Subd. 20. **Learning year programs.** The parental right to notice of optional
96.5 learning year programs is governed by section 124D.128.

96.6 Subd. 21. **English learners programs.** Parental rights related to student enrollment
96.7 in programs for English learners, including notice, withdrawal, and parental involvement,
96.8 are governed by section 124D.60.

96.9 Subd. 22. **Charter school transportation.** The parental right to receive
96.10 pupil transportation information from the charter school or school district providing
96.11 transportation services to a charter school student is governed by section 123B.88.

96.12 Subd. 23. **Services for children with disabilities.** The parental right to be included
96.13 in determining the appropriate and necessary services for students with disabilities is
96.14 governed by section 125A.027.

96.15 Subd. 24. **Data on children with disabilities.** The parental right to notice and
96.16 involvement regarding online reporting of data related to children with disabilities is
96.17 governed by section 125A.085.

96.18 Subd. 25. **Special education alternative dispute resolution.** Parental rights
96.19 regarding notice, participation, and due process related to special education alternative
96.20 dispute resolution procedures are governed by section 125A.091.

96.21 Subd. 26. **Third-party reimbursement for children with disabilities.** The
96.22 parental right to notice of a school district seeking reimbursement from medical assistance
96.23 or MinnesotaCare for services rendered to a student with a disability is governed by
96.24 section 125A.21.

96.25 Subd. 27. **Services provided to children with disabilities.** Parental rights
96.26 related to services provided to students eligible for Part C services under the Individuals
96.27 with Disabilities Education Act and the right to receive written materials regarding the
96.28 implementation of Part C services are governed by sections 125A.42 and 125A.48. The
96.29 parental right to use mediation to resolve disputes under section 125A.42 is governed
96.30 by section 125A.43.

96.31 Subd. 28. **Minnesota State Academies discharge.** The parental right to notice of a
96.32 student's discharge from the Minnesota State Academies is governed by section 125A.68.

96.33 Subd. 29. **Education records for military children.** The parental right to education
96.34 records under the Interstate Compact on Educational Opportunity for Military Children
96.35 is governed by section 127A.85.

97.1 Subd. 30. **Appeal adverse school board decision.** The parental right to appeal a
97.2 school board decision adversely affecting an academic program of an enrolled student is
97.3 governed by section 129C.10, subdivision 36.

97.4 Sec. 58. Minnesota Statutes 2014, section 124D.896, is amended to read:

97.5 **124D.896 DESEGREGATION/INTEGRATION AND INCLUSIVE**
97.6 **EDUCATION RULES.**

97.7 (a) The commissioner shall propose rules relating to desegregation/integration and
97.8 inclusive education, consistent with sections 124D.861 and 124D.862.

97.9 (b) In adopting a rule related to school desegregation/integration, the commissioner
97.10 shall address the need for equal educational opportunities for all students and racial
97.11 balance as defined by the commissioner.

97.12 (c) The commissioner must not adopt or enforce by rule a definition of "eligible
97.13 district" that expands or conflicts with the statutory definition of eligible district.

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

97.15 Sec. 59. **[125B.27] STUDENT-USER PRIVACY IN EDUCATION RIGHTS.**

97.16 Subdivision 1. **Definitions.** (a) The definitions in this subdivision and section 13.32,
97.17 subdivision 1, apply to this section.

97.18 (b) "Online educational service" means a Web site, online service or application,
97.19 or mobile application accessible to a student or the student's parent or legal guardian
97.20 via the Internet for school purposes. An online educational service includes a cloud
97.21 computing service.

97.22 (c) "Operator" means a person, to the extent a person operates in this capacity, who
97.23 operates an online educational service with actual knowledge that it is used primarily for
97.24 school purposes and is designed and marketed for these purposes. An operator includes
97.25 a vendor.

97.26 (d) "Protected information" means personally identifiable information or materials
97.27 or information that is linked to personally identifiable information or materials, in any
97.28 media or format that is not publicly available, and:

97.29 (1) is created or provided by a student or the student's parent or legal guardian to
97.30 an operator in the course of using the operator's site, service, or application for school
97.31 purposes;

97.32 (2) is created or provided by an employee or agent of the school to an operator in the
97.33 course of using the operator's site, service, or application for school purposes; or

98.1 (3) is gathered by an operator through operating an online educational service
98.2 and personally identifies a student, including but not limited to such information in the
98.3 student's educational record or e-mail as first and last name, home address, telephone
98.4 number, e-mail address, other information that allows physical or online contact, discipline
98.5 records, test results, special education data, juvenile records, grades, evaluations, criminal
98.6 records, health records, Social Security number, biometric information, disabilities,
98.7 socioeconomic information, food purchases, political affiliations, religious information,
98.8 text messages, documents, student identifiers, search activity, photos, voice recordings, or
98.9 geolocation information.

98.10 (e) "School purposes" means purposes that (1) are directed by or customarily take
98.11 place at the direction of the school, teacher, or school district or help administer school
98.12 activities, including instruction in the classroom or at home, administrative activities, and
98.13 collaboration between students, school personnel, or parents or legal guardians, or (2)
98.14 are for the use and benefit of the school.

98.15 (f) "Student" means a student in prekindergarten through grade 12.

98.16 (g) "Vendor" means a person who enters into a contract with a school to provide an
98.17 online educational service.

98.18 (h) "Targeted advertising" means presenting advertisements to a student where
98.19 the advertisement is selected based on information obtained or inferred over time from
98.20 that student's online behavior, use of applications, or covered information. It does not
98.21 include advertising to a student at an online location based upon that student's current
98.22 visit to that location, or in response to that student's request for information or feedback,
98.23 without retaining that student's online activities or requests over time for the purpose of
98.24 targeting subsequent ads.

98.25 **Subd. 2. Prohibited activities; targeted advertising; creating student profiles;**
98.26 **sale or unauthorized disclosure of information.** (a) An operator must not engage in
98.27 any of the following activities:

98.28 (1)(i) targeted advertising on the operator's online educational service; or

98.29 (ii) targeted advertising on any other site, service, or application when the targeted
98.30 advertising is based upon information, including protected information and unique
98.31 identifiers, that the operator acquired or created because a student used that operator's
98.32 online educational service;

98.33 (2) gather, use, or share information, including persistent unique identifiers, acquired
98.34 or created by the operator's online educational service, to create a profile about a student,
98.35 except to further school purposes. "Create a profile" does not include collecting or

99.1 retaining account information that remains under the control of the student, the student's
 99.2 parent or guardian, or a school offering any grades kindergarten through grade 12;

99.3 (3) sell a student's information, including protected information. This prohibition
 99.4 does not apply to the purchase, merger, or other type of acquisition of an operator by
 99.5 another person, if the operator or successor remains subject to this section with respect to
 99.6 previously acquired student information or to national assessment providers if the provider
 99.7 obtains the express written consent of the parent or student, given in response to clear and
 99.8 conspicuous notice, solely to provide access to employment, educational scholarships or
 99.9 financial aid, or postsecondary educational opportunities; or

99.10 (4) disclose protected information, unless the disclosure:

99.11 (i) is made to further the educational purpose of the site, service, or application,
 99.12 provided the recipient of the protected information must not further disclose the
 99.13 information unless to allow or improve operability or functionality of the operator's online
 99.14 educational service;

99.15 (ii) is legally required to comply with subdivision 3;

99.16 (iii) is made to ensure legal and regulatory compliance, to respond to or participate
 99.17 in a judicial process, or to protect the safety of users or others or the security or integrity
 99.18 of the site;

99.19 (iv) is for a school, educational, or employment purpose and at the request of the
 99.20 student or the student's parent or guardian, provided the information is not used or further
 99.21 disclosed for any other purposes; or

99.22 (v) is made under a contract between the operator and a service provider. A contract
 99.23 must prohibit the service provider from using protected information for any purpose
 99.24 other than providing the contracted service to, or on behalf of, the operator; prohibit the
 99.25 service provider from disclosing protected information provided by the operator to third
 99.26 parties; and require the service provider to implement and maintain reasonable security
 99.27 procedures and practices under subdivision 3.

99.28 (b) This subdivision does not prohibit the operator from using information to
 99.29 maintain, develop, support, improve, or diagnose the operator's site, service, or application.

99.30 **Subd. 3. Security procedures and practices. An operator shall:**

99.31 (1) implement and maintain reasonable security procedures and practices appropriate
 99.32 to the nature of the protected information and designed to protect that information from
 99.33 unauthorized access, destruction, use, modification, or disclosure; and

99.34 (2) delete a student's protected information within a reasonable period of time and in
 99.35 any case within 60 days if the school asks to delete the data under the control of the school.

100.1 Subd. 4. **Permissible disclosures.** Notwithstanding subdivision 2, paragraph (a),
100.2 clause (4), an operator may use or disclose a student's protected information under the
100.3 following circumstances:

100.4 (1) if other provisions of federal or state law require the operator to disclose the
100.5 information and the operator complies with the requirements of federal or state law in
100.6 protecting and disclosing that information;

100.7 (2) as long as no covered information is used for advertising or to create a profile on
100.8 the student for purposes other than educational purposes or for legitimate research purposes:

100.9 (i) as required by state or federal law and subject to the restrictions under that law; or

100.10 (ii) as allowed by state or federal law and to further educational purposes or
100.11 postsecondary educational purposes; and

100.12 (3) to a state or local educational agency, including schools and school districts, for
100.13 school purposes as permitted by state or federal law.

100.14 Subd. 5. **Use of information by operator.** This section does not prohibit an
100.15 operator from:

100.16 (1) using protected information within the operator's site, service, or application or
100.17 other sites, services, or applications owned by the operator to improve educational products;

100.18 (2) using protected information that is not associated with an identified student to
100.19 demonstrate the effectiveness of the operator's products or services, including marketing;

100.20 (3) sharing aggregate information that does not directly, indirectly, or in combination
100.21 with other information identify a student in order to develop or improve educational
100.22 sites, services, or applications;

100.23 (4) using recommendation engines to recommend to a student either of the following:

100.24 (i) additional content relating to an educational, other learning, or employment
100.25 opportunity purpose within an online site, service, or application if the recommendation is
100.26 not determined in whole or in part by payment or other consideration from a third party; or

100.27 (ii) additional services relating to an educational, other learning, or employment
100.28 opportunity purpose within an online site, service, or application if the recommendation is
100.29 not determined in whole or in part by payment or other consideration from a third party; or

100.30 (5) responding to a student's request for information or for feedback without the
100.31 information or response being determined in whole or in part by payment or other
100.32 consideration from a third party.

100.33 Subd. 6. **Certain activities not affected.** (a) This section does not limit the
100.34 authority of a law enforcement agency to obtain information from an operator as
100.35 authorized by law or under a court order.

101.1 (b) This section does not limit the ability of an operator to use student information,
101.2 including protected information, for adaptive learning or customized student learning
101.3 purposes.

101.4 (c) This section does not apply to general audience Web sites, general audience
101.5 online services, general audience online applications, or general audience mobile
101.6 applications, even if log-in credentials created for an operator's online educational service
101.7 may be used to access those general audience Web sites, services, or applications.

101.8 (d) This section does not limit Internet service providers from providing Internet
101.9 connectivity to schools or students and their families.

101.10 (e) This section does not prohibit an operator of a Web site, online service, online
101.11 application, or mobile application from the general marketing of educational products to
101.12 parents or legal guardians so long as the marketing is not based on the use of protected
101.13 information obtained by the operator through the provision of services governed by this
101.14 section.

101.15 (f) This section does not impose a duty upon a provider of an electronic store, gateway,
101.16 marketplace, or other means of purchasing or downloading software or applications to
101.17 review or enforce compliance with this section on those applications or software.

101.18 (g) This section does not impose a duty on a provider of an interactive computer
101.19 service, as defined in United States Code, title 47, section 230, to review or enforce
101.20 compliance with this section by third-party content providers.

101.21 (h) This section does not impede the ability of students to download, transfer, export,
101.22 or otherwise save or maintain their own data or documents.

101.23 **EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and
101.24 later.

101.25 Sec. 60. Minnesota Statutes 2015 Supplement, section 127A.05, subdivision 6, is
101.26 amended to read:

101.27 Subd. 6. **Survey of districts.** The commissioner of education shall survey the state's
101.28 school districts and teacher preparation programs and report to the education committees
101.29 of the legislature by February 1 of each odd-numbered year on the status of teacher early
101.30 retirement patterns, the access to effective and more diverse teachers who reflect the
101.31 students under section 120B.35, subdivision 3, paragraph (b), clause (2), enrolled in
101.32 a district or school, the teacher shortage, and the substitute teacher shortage, including
101.33 patterns and shortages in subject areas and the economic development regions of the state.
101.34 The report must also include: aggregate data on teachers' self-reported race and ethnicity;
101.35 data on how districts are making progress in hiring teachers and substitutes in the areas

102.1 of shortage; and a five-year projection of teacher demand for each district, taking into
 102.2 account the students under section 120B.35, subdivision 3, paragraph (b), clause (2),
 102.3 expected to enroll in the district during that five-year period.

102.4 Sec. 61. **[127A.053] STATE ADMINISTRATION OF STUDENT SURVEY**
 102.5 **INSTRUMENTS GENERALLY PROHIBITED.**

102.6 Notwithstanding other law to the contrary, and with the exception of section
 102.7 120B.35, subdivision 3, paragraph (d), the commissioner must not develop, coordinate,
 102.8 assist with, or use a statewide student survey seeking information about a student's
 102.9 activities, opinions, behaviors, or experiences related to substance abuse, tobacco use,
 102.10 connections with family, healthy eating, high school students' gambling and sexual
 102.11 activities, or out-of-school activities, among other topics.

102.12 Sec. 62. Minnesota Statutes 2014, section 127A.095, is amended to read:

102.13 **127A.095 IMPLEMENTATION OF NO CHILD LEFT BEHIND ACT**
 102.14 **ELEMENTARY AND SECONDARY EDUCATION ACT.**

102.15 Subdivision 1. **Continued implementation.** The Department of Education shall
 102.16 continue to implement the federal ~~No Child Left Behind Act, Public Law 107-110,~~
 102.17 Elementary and Secondary Education Act without interruption.

102.18 ~~Subd. 2. **No Child Left Behind review.** (a) The legislature intends to require~~
 102.19 ~~the Department of Education to conduct a comprehensive review of the consolidated~~
 102.20 ~~state plan the state submitted to the federal Department of Education to implement the~~
 102.21 ~~No Child Left Behind Act. The Minnesota Department of Education shall seek waivers~~
 102.22 ~~under paragraph (b). If the Department of Education is unable to obtain waivers under~~
 102.23 ~~paragraph (b), it should recommend in its report under paragraph (b) whether the state~~
 102.24 ~~should opt out of the No Child Left Behind Act.~~

102.25 ~~(b) The commissioner, by January 15, 2008, shall report to the house of~~
 102.26 ~~representatives and senate committees having jurisdiction over kindergarten through grade~~
 102.27 ~~12 education policy and finance whether the department has received approval from~~
 102.28 ~~the federal Department of Education to:~~

102.29 ~~(1) participate in the growth model pilot program;~~

102.30 ~~(2) exclude from sanctions schools that have not made adequate yearly progress due~~
 102.31 ~~solely to a subgroup of students with disabilities not testing at a proficient level;~~

102.32 ~~(3) identify a school as not making adequate yearly progress only after the school has~~
 102.33 ~~missed the adequate yearly progress targets in the same subgroup for two consecutive years;~~

103.1 ~~(4) determine when to hold schools accountable for including an English learner~~
 103.2 ~~in adequate yearly progress calculations;~~

103.3 ~~(5) allow a district not making adequate yearly progress to offer supplemental~~
 103.4 ~~educational services as an option before offering school choice;~~

103.5 ~~(6) allow a district not making adequate yearly progress to also be the supplemental~~
 103.6 ~~educational services provider;~~

103.7 ~~(7) allow the state to maintain a subgroup size to 40 for the purposes of calculating~~
 103.8 ~~adequate yearly progress for subgroups of English learners and subgroups of students~~
 103.9 ~~with disabilities; and~~

103.10 ~~(8) create flexibility to enable the state to define and identify highly qualified teachers.~~

103.11 **Subd. 3. Department of Management and Budget certification.** If the federal
 103.12 Department of Education does not transmit to the commissioner of education its approval
 103.13 of the conditions in subdivision 2, paragraph (b), The commissioner of management and
 103.14 budget shall certify and report to the legislature annually beginning January 1, 2008, the
 103.15 amount of federal revenue, if any, that the federal government may withhold as a result
 103.16 of a potential state decision to discontinue implementation of the ~~No Child Left Behind~~
 103.17 ~~Act~~ Elementary and Secondary Education Act. The report shall also specify the intended
 103.18 purpose of the federal revenue and the amount of revenue that the federal government may
 103.19 withhold from the state, each school district, and each charter school in each fiscal year.

103.20 Sec. 63. Minnesota Statutes 2014, section 129C.10, subdivision 1, is amended to read:

103.21 Subdivision 1. **Governance.** (a) The board of the Perpich Center for Arts Education
 103.22 shall consist of 15 13 persons, one of whom must have served as a school administrator or
 103.23 as an elected school board member, one of whom is a locally or regionally recognized
 103.24 professional artist, one of whom is a secondary or postsecondary arts educator, and a
 103.25 licensed secondary arts teacher and a licensed secondary teacher teaching a core academic
 103.26 subject area, one of whom is a Crosswinds school employee, and one of whom is a Perpich
 103.27 Center for Arts Education employee. The members of the board shall be appointed by
 103.28 the governor with the advice and consent of the senate. At least one member must be
 103.29 appointed from each congressional district.

103.30 (b) A seven-member nominating committee composed of one member appointed
 103.31 by the Minnesota Association of School Administrators, one member appointed by the
 103.32 Minnesota State Arts Board, one member appointed by the Minnesota School Boards
 103.33 Association, one member appointed by the Minnesota Music Educators Association, one
 103.34 member appointed by the Arts Educators of Minnesota, one member appointed jointly by
 103.35 the exclusive representatives of the employees of the Perpich Center for Arts Education,

104.1 all six appointees of whom are subject to the governor's approval, and one member
104.2 appointed by the governor shall meet at least 60 days before the date on which the next
104.3 expiring board member's term is set to expire or within 15 days of receiving notice of a
104.4 board vacancy occurring at a time other than at the end of a board member's term to
104.5 prepare and submit a list of recommended candidates to the governor for the governor
104.6 to consider when appointing members of the Perpich Center for Arts Education Board.
104.7 Board members' terms must be staggered, consistent with section 15.0575, subdivision 2.

104.8 (c) All board members must complete board training requirements consistent with
104.9 section 127A.19.

104.10 (d) The terms of existing board members expire on September 1, 2016, but board
104.11 members may continue to serve until the governor appoints their successors.

104.12 **EFFECTIVE DATE.** This section is effective the day following final enactment
104.13 and applies to board member terms and appointments made after that date.

104.14 Sec. 64. [129C.12] PUBLIC INFORMATION.

104.15 Subdivision 1. **Board minutes.** The board must post the minutes of its meetings on
104.16 its official Web site and supplemental board materials, information, and budget documents
104.17 consistent with Minnesota Management and Budget financial management and reporting
104.18 requirements.

104.19 Subd. 2. **Annual report.** Consistent with section 123B.10, requiring school boards
104.20 to annually publish financial information on the district's official Web site, the board
104.21 must prepare and post on its official Web site an annual report summarizing Perpich
104.22 Center finances and, consistent with section 120B.36, subdivision 1, requiring school
104.23 and district accountability data, also post on its official Web site longitudinal data on
104.24 student enrollment and students' congressional districts of residence, graduation rates, and
104.25 postgraduation student placements.

104.26 Subd. 3. **World's best workforce.** Consistent with section 120B.11, governing the
104.27 world's best workforce, the board must prepare and post a comprehensive, long-term
104.28 strategic improvement plan and report plan strategies, activities, practices, and outcomes
104.29 on its official Web site.

104.30 Subd. 4. **Audit report.** (a) The Perpich Center for Arts Education is subject to an
104.31 annual independent audit. The audit must be conducted in compliance with generally
104.32 accepted governmental auditing standards and the federal Single Audit Act, if applicable.
104.33 The legislative auditor or Department of Education may conduct financial, program, or
104.34 compliance audits, and may direct the Perpich Center for Arts Education to include any
104.35 additional items in its annual independent audit.

105.1 (b) Upon approval from the Department of Education, the Perpich Center for Arts
105.2 Education may combine this audit with its required annual audit of the Crosswinds Arts
105.3 and Science School.

105.4 (c) The Perpich Center for Arts Education must post its most recent audit on its
105.5 Web site.

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

105.7 Sec. 65. Minnesota Statutes 2015 Supplement, section 136F.302, subdivision 1,
105.8 is amended to read:

105.9 Subdivision 1. **ACT college ready score; Minnesota Comprehensive Assessment**
105.10 **career and college-ready benchmarks.** A state college or university may ~~must~~ not
105.11 require an individual to take a remedial, noncredit course in a subject area if the individual
105.12 has received a college ready ACT score or met a career and college-ready Minnesota
105.13 Comprehensive Assessment benchmark in that subject area. Only the ACT scores an
105.14 individual received and the Minnesota Comprehensive Assessment benchmarks an
105.15 individual met in the previous five years are valid for purposes of this section. Each state
105.16 college and university must post notice of the exemption from remedial course taking on
105.17 its Web page explaining student course placement requirements.

105.18 **EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and
105.19 later.

105.20 Sec. 66. **[136F.3025] MINNESOTA COMPREHENSIVE ASSESSMENTS;**
105.21 **CAREER AND COLLEGE-READY BENCHMARKS.**

105.22 A state college or university must not require an individual to take a remedial,
105.23 noncredit course in a subject area if the individual met a career and college-ready Minnesota
105.24 Comprehensive Assessment benchmark in that subject area, consistent with section
105.25 120B.30, subdivision 1, paragraph (m). When notifying students and their families about
105.26 test results under section 120B.30, subdivision 1, paragraph (m), the commissioner shall
105.27 include a statement indicating that students who meet a career and college-ready Minnesota
105.28 Comprehensive Assessment benchmark are not required to take a remedial, noncredit
105.29 course at a Minnesota state college or university in the corresponding subject area.

105.30 **EFFECTIVE DATE.** This section is effective for the 2018-2019 school year and
105.31 later.

106.1 Sec. 67. **[136F.361] CAREER AND TECHNICAL EDUCATION**
 106.2 **CERTIFICATION AND LICENSURE.**

106.3 The Board of Trustees of the Minnesota State Colleges and Universities System,
 106.4 consistent with section 122A.09, subdivision 10, paragraph (e), must provide an
 106.5 alternative preparation program allowing individuals to be certified or licensed as a career
 106.6 and technical education instructor or teacher able to teach career and technical education
 106.7 courses offered by a school district or charter school. The Board of Trustees may locate
 106.8 the first program in the seven county metropolitan area.

106.9 **EFFECTIVE DATE.** This section is effective for the 2016-2017 academic year
 106.10 and later.

106.11 Sec. 68. Laws 2010, chapter 396, section 7, the effective date, is amended to read:

106.12 **EFFECTIVE DATE.** This section is effective the day following final enactment,
 106.13 including subdivision 3 which is effective through the 2020-2021 school year.

106.14 Sec. 69. Laws 2012, chapter 263, section 1, as amended by Laws 2014, chapter 312,
 106.15 article 15, section 24, is amended to read:

106.16 Section 1. **INNOVATIVE DELIVERY OF CAREER AND TECHNICAL**
 106.17 **EDUCATION PROGRAMS AND SERVICES AND SHARING OF DISTRICT**
 106.18 **RESOURCES; ~~PILOT PROJECT.~~**

106.19 Subdivision 1. **Establishment; requirements for participation.** (a) ~~A pilot project~~
 106.20 program is established to improve student, career and college readiness, and school
 106.21 outcomes by allowing groups of school districts to work together in partnership with local
 106.22 and regional postsecondary institutions and programs, community institutions, and other
 106.23 private, public, for-profit, and nonprofit workplace partners to:

106.24 (1) provide innovative education programs and activities that integrate core
 106.25 academic and career and technical subjects in students' programs of study through
 106.26 coordinated secondary and postsecondary career and technical programs leading to an
 106.27 industry certification or other credential;

106.28 (2) provide embedded professional development for program participants;

106.29 (3) use performance assessments in authentic settings to measure students' technical
 106.30 skills and progress toward attaining an industry certification or other credential; and

106.31 (4) efficiently share district, institution, and workplace resources. The pilot project
 106.32 may last until June 30, 2018, or for up to five years, whichever is less, except that

107.1 ~~innovation partnerships formed during the period of the pilot project may continue past~~
107.2 ~~June 30, 2018, with the agreement of the partnership members.~~

107.3 (b) To participate in this pilot project program to improve student, career and college
107.4 readiness, and school outcomes, a group of two or more school districts must collaborate
107.5 with school staff and project partners and receive formal school board approval to form a
107.6 partnership. The partnership must develop a plan to provide challenging programmatic
107.7 options for students under paragraph (a), create professional development opportunities
107.8 for educators and other program participants, increase student engagement and connection
107.9 and challenging learning opportunities for diverse populations of students that are focused
107.10 on employability skills and technical, job-specific skills related to a specific career
107.11 pathway, or demonstrate efficiencies in delivering financial and other services needed to
107.12 realize plan goals and objectives. The plan must establish include:

107.13 (1) collaborative educational goals and objectives;

107.14 (2) strategies and processes to implement those goals and objectives, including a
107.15 budget process with periodic expenditure reviews;

107.16 (3) valid and reliable measures, including performance assessments in authentic
107.17 settings and progress toward attaining an industry certification or other credential, among
107.18 other measures, to evaluate progress in realizing the goals and objectives;

107.19 (4) an implementation timeline; and

107.20 (5) other applicable conditions, regulations, responsibilities, duties, provisions, fee
107.21 schedules, and legal considerations needed to fully implement the plan.

107.22 A partnership may invite additional districts or other participants under paragraph
107.23 (a) to join the partnership ~~during the pilot project term~~ after notifying the commissioner.

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

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

107.34 (e) Participating districts must submit a biennial report by February 1 of each
107.35 odd-numbered year to the committees of the legislature with jurisdiction over kindergarten
107.36 through grade 12 education and the commissioner of education that includes performance

108.1 assessment, high school graduation, and career and technical certification data to show the
 108.2 success of the partnership in preparing diverse populations of students for careers and jobs.

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

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

108.28 **EFFECTIVE DATE.** (a) This section is effective the day following final enactment
 108.29 and applies to applications submitted after that date.

108.30 (b) Districts already approved for an innovation zone pilot project may continue to
 108.31 operate under Laws 2012, chapter 263, section 1, as amended by Laws 2014, chapter
 108.32 312, article 15, section 24.

108.33 Sec. 70. Laws 2015, chapter 69, article 1, section 3, subdivision 28, is amended to read:

108.34			200,000
108.35	Subd. 28. Teacher Shortage Loan Forgiveness	200,000	<u>2,200,000</u>

109.1 For the loan forgiveness program under
 109.2 Minnesota Statutes, section 136A.1791.

109.3 The commissioner may use no more
 109.4 than three percent of this appropriation
 109.5 to administer the program under this
 109.6 subdivision. The base for the program for
 109.7 fiscal year 2018 and later is \$200,000.

109.8 **EFFECTIVE DATE.** This section is effective the day following final enactment,
 109.9 and any unexpended funds in fiscal year 2017 do not cancel and remain available until
 109.10 June 30, 2019.

109.11 Sec. 71. Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision
 109.12 2, is amended to read:

109.13 Subd. 2. **Alternative compensation.** For alternative teacher compensation aid
 109.14 under Minnesota Statutes, section 122A.415, subdivision 4:

109.15		78,331,000		
109.16	\$	<u>78,667,000</u>	.....	2016
109.17		87,147,000		
109.18	\$	<u>89,049,000</u>	.....	2017

109.19 The 2016 appropriation includes \$7,766,000 for 2015 and ~~\$70,565,000~~ \$70,901,000
 109.20 for 2016.

109.21 The 2017 appropriation includes ~~\$7,840,000~~ \$7,876,000 for 2016 and ~~\$79,307,000~~
 109.22 \$81,173,000 for 2017.

109.23 Sec. 72. Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision
 109.24 6, is amended to read:

109.25 Subd. 6. **Reading Corps.** For grants to ServeMinnesota for the Minnesota Reading
 109.26 Corps under Minnesota Statutes, section 124D.42, subdivision 8:

109.27	\$	6,125,000	.....	2016
109.28		6,125,000		
109.29	\$	<u>7,625,000</u>	.....	2017

109.30 Any balance ~~in the first year does not cancel but~~ is available ~~in the second year~~ through
 109.31 June 30, 2019. The base appropriation for fiscal year 2018 and later years is \$5,625,000.

109.32 Sec. 73. Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision
 109.33 12, is amended to read:

110.1 Subd. 12. **Collaborative urban educator.** (a) For the collaborative urban educator
110.2 grant program:

110.3 \$ 780,000 2016

110.4 780,000

110.5 \$ 2,780,000 2017

110.6 (b) Grants shall be awarded in equal amounts: \$195,000 each year is for the Southeast
110.7 Asian teacher program at Concordia University, St. Paul; \$195,000 each year is for the
110.8 collaborative urban educator program at the University of St. Thomas; \$195,000 each year
110.9 is for the Center for Excellence in Urban Teaching at Hamline University; and ~~\$195,00~~
110.10 \$195,000 each year is for the East Africa Student to Teacher program at Augsburg College.
110.11 In fiscal year 2017 only, in addition to the amounts awarded under this paragraph, the
110.12 institutions identified in this paragraph may receive additional funding under paragraph (c).

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

110.14 ~~Each institution shall prepare for the legislature, by January 15 of each year, a~~
110.15 ~~detailed report regarding the funds used. The report must include the number of teachers~~
110.16 ~~prepared as well as the diversity for each cohort of teachers produced.~~

110.17 (c) A Minnesota teacher preparation program, a district Grow Your Own teacher
110.18 program, a nonconventional teacher preparation program under Minnesota Rules, part
110.19 8705.2300, or an alternative teacher preparation program under Minnesota Statutes,
110.20 section 122A.245, may apply to the commissioner of education for a grant in the form and
110.21 manner determined by the commissioner. The commissioner may award grants of up to
110.22 two years to the extent funds are available. The commissioner annually must award at
110.23 least 50 percent of grant funds to nonconventional and alternative preparation programs,
110.24 giving priority to funding programs that:

110.25 (1) recruit, retain, graduate, and place teacher candidates who reflect the
110.26 demographic diversity of the students enrolled in the district where the teacher candidate
110.27 is placed and provide the teachers with well-qualified mentor teachers; or

110.28 (2) train and place teacher candidates in subject areas or regions of the state
110.29 identified by the commissioner as shortage areas under Minnesota Statutes, section
110.30 127A.05, subdivision 6.

110.31 (d) A grant recipient under this subdivision, annually by January 15, must prepare a
110.32 report for the commissioner of education and the kindergarten through grade 12 and
110.33 higher education committees of the legislature in the form and manner determined by the
110.34 commissioner. At a minimum, the report must detail grant expenditures for the previous
110.35 year and summarize program outcomes based on teacher preparation and performance

111.1 data consistent with paragraph (c) and Minnesota Statutes, section 122A.09, subdivision
 111.2 4a, paragraph (b).

111.3 (e) This appropriation is available until June 30, 2019. The base appropriation
 111.4 for fiscal year 2018 and later is \$780,000.

111.5 Sec. 74. Laws 2015, First Special Session chapter 3, article 3, section 15, subdivision
 111.6 3, is amended to read:

111.7 Subd. 3. **ACT test College entrance examination reimbursement.** To reimburse
 111.8 districts for students who qualify under Minnesota Statutes, section 120B.30, subdivision
 111.9 1, paragraph (e), for onetime payment of their ACT college entrance examination fee:

111.10	\$	3,011,000	.....	2016
111.11	\$	3,011,000	.....	2017

111.12 The Department of Education must reimburse districts for their onetime payments
 111.13 on behalf of students.

111.14 **EFFECTIVE DATE.** This section applies to college entrance exams administered
 111.15 after July 1, 2016.

111.16 Sec. 75. **CONCURRENT ENROLLMENT TEACHER TRAINING GRANTS.**

111.17 For fiscal years 2017, 2018, and 2019 only, a high school teacher required to obtain
 111.18 additional training to meet the partnering college's or university's academic requirements
 111.19 to teach a concurrent enrollment course in a high school under Minnesota Statutes, section
 111.20 124D.09, may be reimbursed for tuition for up to 18 graduate credits in furthering this
 111.21 training. The commissioner shall establish application procedures and deadlines for
 111.22 receiving grant payments under this subdivision.

111.23 **EFFECTIVE DATE.** This section is effective July 1, 2016.

111.24 Sec. 76. **MINNESOTA'S FUTURE TEACHERS; GRANT PROGRAM.**

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

111.27 (b) "Eligible institution" means a Minnesota public or nonpublic postsecondary
 111.28 institution under Minnesota Statutes, section 136A.101, subdivision 4, providing a Board
 111.29 of Teaching-approved teacher preparation program.

111.30 (c) "High needs area" means a shortage of teachers teaching in particular subject
 111.31 areas and, or in particular regions of the state, identified in the commissioner of education's

112.1 biennial survey of districts under Minnesota Statutes, section 127A.05, subdivision 6, or
112.2 in another Department of Education survey on teacher shortages.

112.3 (d) "High needs school" means a school:

112.4 (1) designated as a low performing school under the most recently reauthorized
112.5 federal Elementary and Secondary Education Act; or

112.6 (2) above the state average in the concentration of students qualifying for free and
112.7 reduced-price lunch.

112.8 (e) "Qualified candidate" means a student enrolled in a Board of Teaching-approved
112.9 teacher preparation program at an eligible institution meeting the criteria in subdivision 3.

112.10 Subd. 2. **Account.** An account is established under the control of the commissioner
112.11 of the Office of Higher Education for grants to eligible institutions to provide financial
112.12 and other support to qualified candidates interested in teaching in a high needs area or
112.13 school. Unused funds appropriated to the Department of Education and transferred to the
112.14 Office of Higher Education in any fiscal year do not cancel and are available for the
112.15 purposes of this section.

112.16 Subd. 3. **Program requirements.** (a) The commissioner of the Office of Higher
112.17 Education, beginning in the 2017-2018 school year, shall award grants to eligible
112.18 institutions to help defray costs for qualified undergraduate and graduate candidates to
112.19 become licensed teachers. The commissioner shall determine the maximum grant award
112.20 available to each eligible institution, including the amount available for administrative and
112.21 support services, and other terms and conditions related to administering the grant program.

112.22 (b) The eligible institution must provide grant funding to its teacher preparation
112.23 programs for:

112.24 (1) reducing tuition, fees, and related education costs of qualified candidates;

112.25 (2) actively encouraging historically underserved students, students of color, and
112.26 students to pursue teaching in a high needs area or school;

112.27 (3) supporting qualified candidates to persist in and complete their teacher
112.28 preparation program and receive a full professional teaching license; and

112.29 (4) providing qualified candidates with experiential teaching opportunities.

112.30 (c) A qualified candidate under this section must submit to the teacher preparation
112.31 program a written statement indicating the qualified candidate's intent to teach in a high
112.32 needs school or area after completing the teacher preparation program and receiving
112.33 a teaching license.

112.34 (d) The teaching preparation program must provide mentoring to its qualified
112.35 candidates that includes at least:

112.36 (1) good communication with the qualified candidate throughout the program;

113.1 (2) a personalized learning plan for the qualified candidate that describes the
 113.2 requirements for completing the program and obtaining a teaching position and the
 113.3 resources available for overcoming obstacles to completing the program;

113.4 (3) connections to campus resources and professional and personal development
 113.5 opportunities; and

113.6 (4) financial planning.

113.7 **Sec. 77. GRANTS TO STUDENT TEACHERS IN SHORTAGE AREAS.**

113.8 Subdivision 1. **Establishment.** The commissioner of the Office of Higher Education
 113.9 must establish a grant program for student teaching stipends for low-income students
 113.10 enrolled in a Board of Teaching-approved teacher preparation program who are interested
 113.11 in teaching in a high needs subject area or region after graduating and receiving their
 113.12 teaching license. For purposes of this section, "high needs subject area or region" means a
 113.13 shortage of teachers teaching in particular subject areas or a shortage of teachers teaching
 113.14 in particular regions of the state identified in the commissioner of education's biennial
 113.15 survey of districts under Minnesota Statutes, section 127A.05, subdivision 6, or in another
 113.16 Department of Education survey on teacher shortages.

113.17 Subd. 2. **Eligibility** To be eligible for a grant under this section, a teacher candidate
 113.18 must:

113.19 (1) be enrolled in a Board of Teaching-approved teacher preparation program that
 113.20 requires at least 12 weeks of student teaching and results in the teacher candidate receiving
 113.21 a full professional teaching license enabling the licensee to teach in a high needs subject
 113.22 area or region; and

113.23 (2) demonstrate financial need based on criteria established by the commissioner
 113.24 under subdivision 3.

113.25 Subd. 3. **Administration; repayment.** (a) The commissioner must establish an
 113.26 application process and other guidelines for implementing this program.

113.27 (b) The commissioner must determine each academic year the stipend amount based
 113.28 on the amount of available funding and the number of eligible applicants.

113.29 **EFFECTIVE DATE.** This section is effective July 1, 2016.

113.30 **Sec. 78. LEGISLATIVE STUDY GROUP ON EDUCATOR LICENSURE.**

113.31 (a) A 12-member legislative study group on educator licensure is created to review
 113.32 the 2016 Minnesota Teacher Licensure report prepared by the Office of the Legislative
 113.33 Auditor on teacher licensing and submit a written report by February 1, 2017, to the
 113.34 legislature recommending how to restructure Minnesota's teacher licensure system by

114.1 consolidating all teacher licensure activities into a single state entity to ensure transparency
114.2 and consistency or, at a minimum, by clarifying existing teacher licensure responsibilities
114.3 to provide transparency and consistency. In developing its recommendations, the study
114.4 group is encouraged to consider the tiered licensure system recommended in the legislative
114.5 auditor's report, among other recommendations. The study group is encouraged to begin
114.6 its work by consulting with teachers currently teaching in Minnesota school districts,
114.7 charter schools, and nonpublic schools and with out-of-state teachers currently licensed or
114.8 seeking a license in Minnesota. The study group is encouraged to identify and include in
114.9 its report any statutory changes needed to implement the study group recommendations.

114.10 (b) The legislative study group on educator licensure includes:

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

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

114.18 Only duly elected and currently serving members of the house of representatives or senate
114.19 may be study group members.

114.20 (c) The appointments must be made by June 1, 2016, and expire February 2, 2017.

114.21 If a vacancy occurs, the leader of the caucus in the house of representatives or senate to
114.22 which the vacating study group member belonged must fill the vacancy. The chair of the
114.23 house Education Innovation Policy Committee shall convene the first meeting of the study
114.24 group. The study group shall elect a chair or cochairs from among the members at the
114.25 first meeting. The study group must meet periodically. The Legislative Coordinating
114.26 Commission shall provide technical and administrative assistance upon request.

114.27 (d) In reviewing the legislative auditor's report and developing its recommendations,
114.28 the study group must consult with the Board of Teaching, the licensing division of the
114.29 Department of Education, the Minnesota Board of School Administrators, and interested
114.30 and affected stakeholders.

114.31 (e) The study group expires on February 2, 2017, unless extended by law.

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

114.33 Sec. 79. **BOARD OF TEACHING REPORT.**

115.1 The Board of Teaching must prepare and submit a written report to the committees
115.2 of the legislature with jurisdiction over kindergarten through grade 12 education by
115.3 February 1, 2017, listing all the statutory and rule requirements on teacher preparation,
115.4 examinations, and training applicable to candidates for teacher licensure by type of license
115.5 and all the statutory and rule requirements on continuing education applicable to teachers
115.6 seeking to renew a full professional teaching license.

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

115.8 Sec. 80. **TEACHER LICENSING; PROCESS AND PROCEDURES.**

115.9 (a) The Board of Teaching must maintain an easily accessible, user-friendly online
115.10 teacher licensure application system to enable all teacher licensure candidates to upload
115.11 their teacher licensure applications electronically and to select the field and grade level for
115.12 which they seek to be licensed. The online application system must list all types of teacher
115.13 licenses and special permissions available, outline the specific requirements for each type
115.14 of license and special permission, allow candidates to submit applications for all types
115.15 of licenses and special permissions, and be clear and complete. The online application
115.16 form must accommodate Minnesota and out-of-state candidates who completed a teacher
115.17 preparation and training program at either an accredited college or university or a
115.18 nontraditional teacher preparation and training program.

115.19 (b) When completely or partially denying a candidate a teaching license by issuing
115.20 a license that is more limited than the license the candidate seeks, including a restricted
115.21 license, the Board of Teaching, after consulting with the Department of Education if
115.22 appropriate, must notify the candidate in writing clearly explaining: the reason for denying
115.23 or partially denying the candidate a teaching license, including the specific deficiencies
115.24 identified in the candidate's preparation or qualifications; the options available to the
115.25 candidate to pursue the license the candidate seeks; and the candidate's right to appeal a
115.26 denial. Under the two-step appeal process, a candidate may appeal a licensure decision
115.27 to the Board of Teaching for review and, if the board does not find for the candidate,
115.28 the candidate may submit a second appeal, requesting a contested case hearing under
115.29 Minnesota Statutes, chapter 14.

115.30 (c) The Board of Teaching must grant a one-year full professional teaching license
115.31 to otherwise qualified teacher licensure candidates who have satisfactorily completed
115.32 a board-approved teacher preparation program in Minnesota, an accredited teacher
115.33 preparation program in another state, or all the licensure-specific coursework and other
115.34 requirements of a Board of Teaching-approved alternative teacher preparation and training
115.35 program but have not yet successfully completed the content, pedagogy, and skills exams

116.1 required for licensure. The board may renew a candidate's one-year full professional
116.2 teaching license under this paragraph up to three times. Teacher candidates who receive
116.3 a one-year full professional teaching license under this paragraph, while holding this
116.4 license, must continue to work to complete or pass the content, pedagogy, or skills exam
116.5 requirements they have not yet met.

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

116.7 Sec. 81. **DATA SECURITY PLAN.**

116.8 Subdivision 1. **Plan components.** To protect education and related workforce
116.9 data on individual students maintained by public schools, school districts, and state
116.10 agencies, and consistent with Minnesota Statutes, chapter 13, and sections 116J.401,
116.11 120B.11, 120B.12, 120B.30, 120B.31, 120B.35, 120B.36, 124D.49, 124D.52, 124D.861,
116.12 125A.085, and 127A.70, subdivision 2, among other student data-related provisions, the
116.13 commissioner of education must develop, publish, and oversee a detailed data security
116.14 plan combining administrative, physical, and technical safeguards that includes:

116.15 (1) requirements for:

116.16 (i) authorizing access to the kindergarten through grade 12 data systems containing
116.17 personally identifiable information on students;

116.18 (ii) authorizing data and system access for other agencies participating in the
116.19 Statewide Longitudinal Education Data System and the Early Childhood Longitudinal
116.20 Data System;

116.21 (iii) authenticating authorized access to and the processing of personally identifiable
116.22 information on students;

116.23 (iv) protecting data that describes a student or otherwise identifies a student gathered
116.24 by an operator of a Web site, online service, online application, or mobile application
116.25 that operates a site, service, or application for kindergarten through grade 12 school
116.26 purposes; and

116.27 (v) sanctions for employees, contractors, grantees, researchers, and vendors who
116.28 fail to comply with the guidelines;

116.29 (2) minimum privacy compliance standards based on reasonable and enforceable
116.30 security measures and practices, including background checks, training opportunities
116.31 and resources, physical and technical safeguards, and privacy and security agreements
116.32 for employees, contractors, grantees, researchers, and vendors with access to personally
116.33 identifiable information on students, among other privacy and security measures and
116.34 practices;

117.1 (3) regular privacy and security compliance audits of the Statewide Longitudinal
117.2 Education Data System and other data systems; and
117.3 (4) data retention, storage, disposal, and security policies and protocols that include:
117.4 (i) safeguards for protecting, managing, accessing, and destroying students'
117.5 personally identifiable data; and
117.6 (ii) plans, notices, and mitigation procedures for responding to data breaches, among
117.7 other policies and protocols.

117.8 Subd. 2. **Plan report.** The commissioner of education must submit a report by
117.9 January 10, 2017, to the committees of the legislature with jurisdiction over education
117.10 and data practices on the Department of Education's progress in developing the data
117.11 security plan and must include in the report estimates of the costs for further developing
117.12 and implementing the plan, including audit, background check, and training costs, among
117.13 other costs.

117.14 Subd. 3. **Plan costs.** The commissioner of education must proceed in developing the
117.15 data security plan under subdivision 1 using existing Department of Education resources.

117.16 Subd. 4. **Plan implementation.** The commissioner of education may not proceed to
117.17 implement the data security plan under this section until July 1, 2017.

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

117.19 Sec. 82. **STAFF DEVELOPMENT GRANTS FOR INTERMEDIATE SCHOOL**
117.20 **DISTRICTS AND OTHER COOPERATIVE UNITS.**

117.21 (a) For fiscal years 2017, 2018, and 2019 only, an intermediate school district or
117.22 other cooperative unit providing instruction to students in federal instructional settings
117.23 of level 4 or higher qualifies for staff development grants equal to \$1,000 times the
117.24 full-time equivalent number of licensed instructional staff and nonlicensed classroom
117.25 aides employed by the intermediate school district or other cooperative unit during the
117.26 previous fiscal year.

117.27 (b) Staff development grants received under this section must be used for activities
117.28 related to enhancing services to students who may have challenging behaviors or mental
117.29 health issues or be suffering from trauma. Specific qualifying staff development activities
117.30 include but are not limited to:

117.31 (1) proactive behavior management;

117.32 (2) personal safety training;

117.33 (3) de-escalation techniques; and

117.34 (4) adaptation of published curriculum and pedagogy for students with complex
117.35 learning and behavioral needs.

118.1 (c) The grants received under this section must be reserved and spent only on the
118.2 activities specified in this section. If funding for purposes of this section is insufficient,
118.3 the commissioner must prorate the grants.

118.4 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2017
118.5 and later.

118.6 Sec. 83. **STUDENT DISCIPLINE WORKING GROUP.**

118.7 (a) A student discipline working group is created to review the substance,
118.8 application, and effect of Minnesota's Pupil Fair Dismissal Act under Minnesota Statutes,
118.9 sections 121A.40 to 121A.56, and related student discipline provisions in Minnesota
118.10 Statutes, chapter 121A, and submit written recommendations to the legislature by
118.11 February 1, 2017, on improving disciplinary policies, practices, and procedures as they
118.12 affect students and school officials and the effects on student outcomes.

118.13 (b) Consistent with paragraph (a), the working group must analyze:

118.14 (1) available summary data on elementary and secondary students' removal from
118.15 class, suspensions, exclusions, expulsions, and other disciplinary measures, disaggregated
118.16 by categories of race, ethnicity, poverty, disability, homelessness, English language
118.17 proficiency, gender, age, and foster care status;

118.18 (2) the meaning and effect of "willful" in establishing grounds for dismissal under
118.19 Minnesota Statutes, section 121A.45;

118.20 (3) the impact of positive behavioral interventions and supports and restorative
118.21 practices on student behavior, student outcomes, and the school climate, including student
118.22 engagement and connection, among other school climate measures;

118.23 (4) due process rights of students facing dismissal, including changes needed to
118.24 ensure students' due process rights are fully observed and protected;

118.25 (5) students' need for and access to professional support service providers such
118.26 as school counselors, school social workers, school psychologists, and mental health
118.27 professionals;

118.28 (6) the presence of school resource officers in school buildings, their role in affecting
118.29 student discipline, and their impact on teacher safety and student outcomes;

118.30 (7) policies for retaining and destroying student disciplinary data; and

118.31 (8) other related school discipline matters that are of concern to working group
118.32 members.

118.33 (c) By June 1, 2016, the executive director of each of the following organizations
118.34 shall appoint one representative to serve as a member of the working group: the Minnesota
118.35 School Boards Association; the Minnesota Association of School Administrators;

119.1 Education Minnesota; the Minnesota Board of Peace Officer Standards and Training; the
119.2 Minnesota Disability Law Center; the National Alliance of Mental Illness Minnesota;
119.3 the Parent Advocacy Coalition for Educational Rights (PACER) Center; the Minnesota
119.4 Association of Secondary School Principals; the Minnesota Elementary School Principals'
119.5 Association; the Association of Metropolitan School Districts; the Minnesota Rural
119.6 Education Association; the Minnesota School Counselors Association; the Minnesota
119.7 School Psychologists Association; the School Nurse Organization of Minnesota; the St.
119.8 Paul Special Education Advisory Council; the Solutions Not Suspensions Coalition; the
119.9 Minnesota Education Equity Partnership; MinnCAN; Students for Education Reform; the
119.10 Minnesota Youth Council; Educators 4 Excellence; the African American Leadership
119.11 Forum; the American Indian Opportunities Industrialization Center; the Minnesota
119.12 Association of Charter Schools; the Minnesota Indian Affairs Council; and the Minnesota
119.13 School Social Workers Association. Six legislators shall also be appointed by June
119.14 1, 2016, and serve as members of the working group: three duly elected and currently
119.15 serving senators, two appointed by the senate majority leader and one appointed by the
119.16 senate minority leader; and three duly elected and currently serving members of the
119.17 house of representatives, two appointed by the speaker of the house and one appointed
119.18 by the house of representatives minority leader. Only duly elected and currently serving
119.19 members of the senate or house of representatives may be working group members. If a
119.20 vacancy occurs, the leader of the caucus in the senate or house of representatives to which
119.21 the vacating member belonged must fill the vacancy. Working group members must seek
119.22 advice from experts and stakeholders in developing their recommendations.

119.23 (d) The commissioner of education, or the commissioner's designee, must convene
119.24 the first meeting of the working group. The working group must select a chair or cochair
119.25 from among its members at the first meeting. The working group must meet periodically.
119.26 The commissioner must provide technical and administrative assistance to the working
119.27 group upon request. Working group members are not eligible to receive expenses or per
119.28 diem payments for serving on the working group.

119.29 (e) The working group expires February 2, 2017.

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

119.31 Sec. 84. **NORTHWEST REGIONAL PARTNERSHIP CONCURRENT**
119.32 **ENROLLMENT PROGRAM.**

119.33 Subdivision 1. **Definition.** "Northwest Regional Partnership" means a voluntary
119.34 association of the Lakes Country Service Cooperative, the Northwest Service Cooperative,

120.1 and Minnesota State University-Moorhead that works together to provide coordinated
120.2 higher learning opportunities for teachers.

120.3 Subd. 2. **Establishment.** Lakes Country Service Cooperative, in consultation with
120.4 the Northwest Service Cooperative, may develop a continuing education program to allow
120.5 eligible teachers to attain the requisite graduate credits necessary to be qualified to teach
120.6 secondary school courses for postsecondary credit.

120.7 Subd. 3. **Curriculum development.** Minnesota State University-Moorhead may
120.8 develop an online education curriculum to allow eligible secondary school teachers to
120.9 attain graduate credit at a reduced credit rate.

120.10 Subd. 4. **Funding for course development; scholarships; stipends.** Lakes
120.11 Country Service Cooperative, in consultation with the other members of the Northwest
120.12 Regional Partnership, shall:

120.13 (1) provide funding for course development for up to 18 credits in applicable
120.14 postsecondary subject areas;

120.15 (2) provide scholarships for eligible teachers to enroll in the continuing education
120.16 program; and

120.17 (3) develop criteria for awarding educator stipends on a per-credit basis to
120.18 incentivize participation in the continuing education program.

120.19 Subd. 5. **Participant eligibility.** Participation in the continuing education program
120.20 is reserved for teachers of secondary school courses for postsecondary credit. Priority
120.21 must be given to teachers employed by a school district that is a member of the Lakes
120.22 Country Service Cooperative or Northwest Service Cooperative. Teachers employed
120.23 by a school district that is not a member of the Lakes Country Service Cooperative or
120.24 Northwest Service Cooperative may participate in the continuing education program as
120.25 space allows. A teacher participating in this program is ineligible to participate in other
120.26 concurrent enrollment teacher training grant programs.

120.27 Subd. 6. **Private funding.** The partnership may receive private resources to
120.28 supplement the available public money. All money received shall be administered by
120.29 the Lakes Country Service Cooperative.

120.30 Subd. 7. **Report required.** Northwest Regional Partnership must submit an annual
120.31 report by January 15 of each year on the progress of its activities to the legislature,
120.32 commissioner of education, and Board of Trustees of the Minnesota State Colleges and
120.33 Universities. The annual report shall contain a financial report for the preceding year. The
120.34 first report is due no later than January 15, 2018.

120.35 **EFFECTIVE DATE.** This section is effective July 1, 2016.

121.1 Sec. 85. **GROW YOUR OWN TEACHER RESIDENCY PILOT PROGRAM.**

121.2 (a) For fiscal years 2017, 2018, and 2019 only, a nonconventional teacher residency
121.3 pilot program under Minnesota Statutes, section 122A.09, subdivision 10, paragraph (a),
121.4 is established to provide tuition scholarships or stipends to enable education or teaching
121.5 assistants or other nonlicensed district employees who hold a bachelor's degree from an
121.6 accredited college or university and who seek an elementary education license or a license
121.7 in a subject area for which a shortage exists under Minnesota Statutes, section 127A.05,
121.8 subdivision 6, to participate in a Board of Teaching-approved nonconventional teacher
121.9 residency program under this section.

121.10 (b) School districts or charter schools not participating under paragraph (a) may
121.11 use funds under this section to pay for tuition scholarships or stipends on behalf of
121.12 paraprofessionals employed in the school or district who are enrolled in a Board of
121.13 Teaching-approved teacher preparation program and who are making satisfactory progress
121.14 toward attaining teacher licensure.

121.15 (c) The commissioner of education and the commissioner of the Office of Higher
121.16 Education must evaluate the outcomes and efficacy of the program and, by February 1,
121.17 2017, submit written program recommendations to the committees of the legislature with
121.18 jurisdiction over kindergarten through grade 12 education and higher education, including
121.19 how to continue and expand the program throughout Minnesota.

121.20 Sec. 86. **PILOT PROJECT TO HELP STRUGGLING STUDENTS READ AT**
121.21 **GRADE LEVEL.**

121.22 (a) A pilot project for fiscal year 2017 is established to help struggling,
121.23 underperforming students in grades 3 through 5 read at grade level and close the academic
121.24 achievement gap. Under this pilot project, the commissioner of education shall make a
121.25 grant to a qualified and experienced nonprofit organization to provide three Minnesota
121.26 public schools with: a research-based intervention software program demonstrated to
121.27 effectively use singing to improve students' reading ability; technical training and staff to
121.28 install project software; on-site professional development and instructional monitoring
121.29 and support for school staff and students; preproject and postproject online reading
121.30 assessments developed by the University of Minnesota; and other project management
121.31 services. A participating school must identify a trained supervisor and other school staff
121.32 to work with students using the software in the computer lab and coordinate and review
121.33 students' weekly lab use.

122.1 (b) The commissioner, in consultation with the nonprofit organization receiving the
 122.2 grant, must select three public elementary schools, located in an urban, suburban, and
 122.3 greater Minnesota school district, respectively, to participate in the project based on:

122.4 (1) the number and percent of enrolled students in grades 3 through 5 whose
 122.5 proficiency on the Minnesota Comprehensive Assessment in reading is below grade level
 122.6 and who are eligible for free or reduced-price lunch;

122.7 (2) the interest of the school principal, teachers, and other school staff in
 122.8 participating in the project; and

122.9 (3) the availability of a computer lab for the project and its software.

122.10 (c) The nonprofit organization receiving the grant must submit a
 122.11 commissioner-reviewed report to the committees of the legislature with jurisdiction over
 122.12 kindergarten through grade 12 education by February 1, 2017, using summary data to
 122.13 compare and evaluate the reading gains of the third to fifth grade students in the three
 122.14 schools that participated in the project and third to fifth grade students in schools that did
 122.15 not participate in the project and recommend whether to continue or expand the project.

122.16 **EFFECTIVE DATE.** This section is effective July 1, 2016.

122.17 Sec. 87. **LEGISLATIVE AUDITOR.**

122.18 The legislative auditor is requested to perform a financial audit of the Perpich Center
 122.19 for Arts Education in calendar year 2016, and at least every four calendar years thereafter.

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

122.21 Sec. 88. **STATEWIDE SCHOOL TEACHER AND ADMINISTRATOR JOB**
 122.22 **BOARD.**

122.23 For fiscal years 2017, 2018, and 2019 only, the Board of Teaching must contract for
 122.24 an electronic statewide school teacher and administrator job board. The job board must
 122.25 allow school districts to post job openings for prekindergarten through grade 12 teaching
 122.26 and administrative positions.

122.27 **EFFECTIVE DATE.** This section is effective July 1, 2016.

122.28 Sec. 89. **CERTIFICATION INCENTIVE REVENUE.**

122.29 Subdivision 1. **Qualifying certificates.** As soon as practicable, the commissioner
 122.30 of education, in consultation with the Governor's Workforce Development Council
 122.31 established under Minnesota Statutes, section 116L.665, and the P-20 education

123.1 partnership operating under Minnesota Statutes, section 127A.70, must establish the list of
123.2 qualifying career and technical certificates and post the names of those certificates on the
123.3 Department of Education's Web site. The certificates must be in fields where occupational
123.4 opportunities exist.

123.5 Subd. 2. **School district participation.** (a) A school board may adopt a policy
123.6 authorizing its students in grades 9 through 12, including its students enrolled in
123.7 postsecondary enrollment options courses under Minnesota Statutes, section 124D.09, the
123.8 opportunity to complete a qualifying certificate. The certificate may be completed as part
123.9 of a regularly scheduled course.

123.10 (b) A school district may register a student for any assessment necessary to complete
123.11 a qualifying certificate and pay any associated registration fees for its students.

123.12 Subd. 3. **Incentive funding.** (a) A school district's career and technical certification
123.13 aid equals \$500 times the district's number of students enrolled during the current fiscal
123.14 year who have obtained one or more qualifying certificates during the current fiscal year.

123.15 (b) The statewide total certificate revenue must not exceed \$1,000,000. The
123.16 commissioner must proportionately reduce the initial aid provided under this subdivision
123.17 so that the statewide aid cap is not exceeded.

123.18 Subd. 4. **Reports to the legislature.** (a) The commissioner of education must
123.19 report to the committees of the legislature with jurisdiction over kindergarten through
123.20 grade 12 education and higher education by February 1, 2017, on the number and types
123.21 of certificates authorized for the 2016-2017 school year. The commissioner must also
123.22 recommend whether the pilot program should be continued.

123.23 (b) By February 1, 2018, the commissioner of education must report to the
123.24 committees of the legislature with jurisdiction over kindergarten through grade 12
123.25 education and higher education about the number and types of certificates earned by
123.26 Minnesota's students during the 2016-2017 school year.

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

123.28 Sec. 90. **APPROPRIATIONS.**

123.29 Subdivision 1. **Department of Education.** The sums indicated in this section
123.30 are appropriated from the general fund to the Department of Education for the fiscal
123.31 year designated.

124.1 Subd. 2. **Staff development grants for cooperative units.** For payment of staff
 124.2 development grants to intermediate school districts and other cooperative units providing
 124.3 instruction to students in federal instructional settings of level 4 or higher:

124.4 \$ 6,000,000 2017

124.5 This is a onetime appropriation. This appropriation is available until June 30,
 124.6 2019. To the extent practicable, this appropriation should fund staff development grants
 124.7 for intermediate school districts and other cooperative units for fiscal years 2017, 2018,
 124.8 and 2019.

124.9 Subd. 3. **Northwest Regional Partnership concurrent enrollment program.** For a
 124.10 grant to the Lakes Country Service Cooperative to operate a continuing education program:

124.11 \$ 3,000,000 2017

124.12 This is a onetime appropriation. This appropriation is available until June 30, 2019.

124.13 Subd. 4. **Grow Your Own tuition scholarships and stipends.** For a school district
 124.14 to provide tuition scholarships and stipends to eligible employees under the Grow Your
 124.15 Own teacher residency pilot program:

124.16 \$ 1,500,000 2017

124.17 This is a onetime appropriation. This appropriation is available until June 30, 2019.

124.18 Subd. 5. **Sanneh Foundation.** For a grant to the Sanneh Foundation:

124.19 \$ 1,500,000 2017

124.20 Funds appropriated in this section are to provide all-day, in-school, and after-school
 124.21 academic and behavioral interventions for low-performing and chronically absent students
 124.22 with a focus on low-income students and students of color throughout the school year and
 124.23 during the summer to decrease absenteeism, encourage school engagement, and improve
 124.24 grades and graduation rates. Funds appropriated in this section may be used to hire and
 124.25 train staff in areas of youth mentorship, behavior support, and academic tutoring in group
 124.26 and individual settings and to promote pathways for teachers of color.

124.27 This is a onetime appropriation. This appropriation is available until June 30, 2019.

124.28 Subd. 6. **Western Minnesota mobile manufacturing lab.** For a transfer to the
 124.29 Pine to Prairie Cooperative Center:

124.30 \$ 900,000 2017

124.31 The funds in this subdivision must be used to establish a western Minnesota mobile
 124.32 labs program, including manufacturing and welding labs to create interest in these careers
 124.33 for secondary students. The program must be operated by Pine to Prairie Cooperative

125.1 Center in collaboration with Northland Community and Technical College, Lakes Country
 125.2 Service Cooperative, and Minnesota State Community and Technical College.

125.3 This is a onetime appropriation. This appropriation is available until June 30, 2019.

125.4 Subd. 7. **Music pilot project appropriation.** For a grant to a qualified nonprofit
 125.5 organization to provide three Minnesota public elementary schools with a research-based
 125.6 intervention software program that effectively uses singing to improve students' reading
 125.7 ability:

125.8 \$ 100,000 2017

125.9 This is a onetime appropriation.

125.10 Subd. 8. **School crisis response teams.** For school crisis response teams under
 125.11 Minnesota Statutes, section 119A.035:

125.12 \$ 100,000 2017

125.13 This is a onetime appropriation. This appropriation is available until June 30, 2019.

125.14 Subd. 9. **Positive Behavioral Interventions and Supports (PBIS).** For
 125.15 implementation of schoolwide Positive Behavioral Interventions and Supports (PBIS) in
 125.16 schools and districts throughout Minnesota to reduce the use of restrictive procedures and
 125.17 increase use of positive practices:

125.18 \$ 2,750,000 2017

125.19 This is a onetime appropriation.

125.20 Subd. 10. **Girls in Action grant.** For a grant to the Girls in Action program to
 125.21 enable Girls in Action to continue to provide and to expand Twin Cities metropolitan area
 125.22 school and community-based programs that encourage and support low-income girls,
 125.23 including low-income girls of color, to graduate from high school on time, complete a
 125.24 postsecondary preparation program, become community leaders, and participate in service
 125.25 learning opportunities in their communities. Girls in Action must expend \$500,000 of this
 125.26 appropriation for community-based programs located in the Twin Cities metropolitan area:

125.27 \$ 1,500,000 2017

125.28 This is a onetime appropriation. This appropriation is available until June 30, 2019.

125.29 Subd. 11. **Concurrent enrollment teacher training grants.** For concurrent
 125.30 enrollment teacher training grants under Minnesota Statutes, section 124D.091,
 125.31 subdivision 4:

125.32 \$ 750,000 2017

126.1 This is a onetime appropriation. This appropriation is available until June 30, 2019.

126.2 Subd. 12. **Minnesota Council on Economic Education.** For a grant to the
126.3 Minnesota Council on Economic Education to provide staff development to teachers
126.4 for implementing the state graduation standards in learning areas relating to economic
126.5 education:

126.6 \$ 250,000 2017

126.7 The commissioner, in consultation with the council, shall develop expectations for
126.8 staff development outcomes, eligibility criteria for participants, an evaluation procedure,
126.9 and guidelines for direct and in-kind contributions by the council.

126.10 This is a onetime appropriation. This appropriation is available until June 30, 2019.

126.11 Subd. 13. **Certificate incentive funding.** For the certificate incentive program:

126.12 \$ 1,000,000 2017

126.13 This is a onetime appropriation. This appropriation is available until June 30, 2019.

126.14 Subd. 14. **Southwest Minnesota State University special education teacher**
126.15 **education program.** The following sums are appropriated in the fiscal years designated
126.16 from the general fund to the commissioner of education for the Southwest Minnesota State
126.17 University special education teacher education program to support special education
126.18 paraprofessionals working toward licensure in an online program:

126.19 \$ 385,000 2017

126.20 The base for this program in fiscal year 2018 is \$0.

126.21 Sec. 91. **APPROPRIATION; JOB BOARD.**

126.22 \$239,000 in fiscal year 2017 is appropriated from the general fund to the Board of
126.23 Teaching for an electronic statewide job board. The board may expend \$79,000 of this
126.24 appropriation in fiscal year 2017, and the remaining unexpended funds are available
126.25 until June 30, 2019.

126.26 Sec. 92. **APPROPRIATION; FUTURE TEACHERS GRANT PROGRAM.**

126.27 \$4,500,000 in fiscal year 2017 is appropriated from the general fund to the
126.28 commissioner of the Office of Higher Education for the Minnesota future teachers grant
126.29 program. This is a onetime appropriation. This appropriation is available until June 30,
126.30 2019.

127.1 Sec. 93. **APPROPRIATION; STUDENT TEACHERS IN SHORTAGE AREAS;**
127.2 **GRANTS.**

127.3 \$1,000,000 in fiscal year 2017 is appropriated from the general fund to the
127.4 commissioner of the Office of Higher Education for grants to student teachers in shortage
127.5 areas. This is a onetime appropriation. This appropriation is available until June 30, 2019.

127.6 Sec. 94. **APPROPRIATION; SCHOOL-LINKED MENTAL HEALTH**
127.7 **SERVICES.**

127.8 \$5,000,000 in fiscal year 2017 is appropriated from the general fund to the
127.9 commissioner of human services for children's mental health grants under Minnesota
127.10 Statutes, section 245.4889, subdivision 1, paragraph (b), clause (8), for current grantees to
127.11 expand access to school-linked mental health services and to provide training to grantees
127.12 on the use of evidence-based practices. This appropriation is available until June 30, 2019.
127.13 To the extent practicable, the commissioner of human services is encouraged to expend
127.14 the fiscal year 2017 appropriation equally over fiscal years 2017, 2018, and 2019.

127.15 Sec. 95. **REVISOR'S INSTRUCTION.**

127.16 In the next and subsequent editions of Minnesota Statutes, the revisor of statutes
127.17 shall renumber the section on innovative delivery of career and technical education
127.18 programs as Minnesota Statutes, section 124D.339.

127.19 Sec. 96. **REPEALER.**

127.20 (a) Minnesota Statutes 2014, sections 120B.299, subdivision 5; 122A.413,
127.21 subdivision 3; and 122A.74, are repealed.

127.22 (b) Minnesota Statutes 2015 Supplement, section 122A.413, subdivisions 1 and
127.23 2, are repealed.

127.24 (c) Minnesota Statutes 2014, sections 122A.40, subdivision 11; and 122A.41,
127.25 subdivision 14, are repealed effective July 1, 2017.

127.26 (d) Minnesota Rules, part 3535.0110, subparts 6, 7, and 8, are repealed.

127.27 **EFFECTIVE DATE.** Paragraph (d) is effective the day following final enactment.

127.28 **ARTICLE 9**

127.29 **CHARTER SCHOOLS**

127.30 Section 1. Minnesota Statutes 2015 Supplement, section 124E.05, subdivision 4, is
127.31 amended to read:

128.1 Subd. 4. **Application content.** (a) An applicant must include in its application to
128.2 the commissioner to be an approved authorizer at least the following:

128.3 (1) how chartering schools is a way for the organization to carry out its mission;

128.4 ~~(2) a description of the capacity of the organization to serve as an authorizer,~~
128.5 ~~including the personnel who will perform the authorizing duties, their qualifications, the~~
128.6 ~~amount of time they will be assigned to this responsibility, and the financial resources~~
128.7 ~~allocated by the organization to this responsibility;~~

128.8 (2) a description of the capacity of the organization to serve as an authorizer,
128.9 including the positions allocated to authorizing duties, the qualifications for those
128.10 positions, the full-time equivalencies of those positions, and the financial resources
128.11 available to fund the positions. The commissioner may use information about specific
128.12 individuals expected to perform the authorizing duties in deciding whether to approve
128.13 or disapprove an organization's application to be approved as an authorizer. The
128.14 commissioner may not use information about specific individuals performing the
128.15 authorizing duties in reviewing an approved authorizer's performance;

128.16 (3) a description of the application and review process the authorizer will use to
128.17 make decisions regarding the granting of charters;

128.18 (4) a description of the type of contract it will arrange with the schools it charters
128.19 that meets the provisions of section 124E.10;

128.20 (5) the process to be used for providing ongoing oversight of the school consistent
128.21 with the contract expectations specified in clause (4) that assures that the schools chartered
128.22 are complying with both the provisions of applicable law and rules, and with the contract;

128.23 (6) a description of the criteria and process the authorizer will use to grant expanded
128.24 applications under section 124E.06, subdivision 5;

128.25 (7) the process for making decisions regarding the renewal or termination of
128.26 the school's charter based on evidence that demonstrates the academic, organizational,
128.27 and financial competency of the school, including its success in increasing student
128.28 achievement and meeting the goals of the charter school agreement; and

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

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

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

129.1 Sec. 2. Minnesota Statutes 2015 Supplement, section 124E.05, subdivision 5, is
129.2 amended to read:

129.3 Subd. 5. **Review by commissioner.** (a) The commissioner shall review an
129.4 authorizer's performance every five years in a manner and form determined by the
129.5 commissioner, subject to paragraphs (b) and (c), and may review an authorizer's
129.6 performance more frequently at the commissioner's own initiative or at the request of a
129.7 charter school operator, charter school board member, or other interested party. The
129.8 commissioner, after completing the review, shall transmit a report with findings to the
129.9 authorizer.

129.10 (b) Consistent with this subdivision, the commissioner must:

129.11 (1) use criteria appropriate to the authorizer and the schools it charters to review
129.12 the authorizer's performance; and

129.13 (2) consult with authorizers, charter school operators, and other charter school
129.14 stakeholders in developing review criteria under this paragraph.

129.15 (c) The commissioner's form must use existing department data on the authorizer to
129.16 minimize duplicate reporting to the extent practicable. When reviewing an authorizer's
129.17 performance under this subdivision, the commissioner must not:

129.18 (1) fail to credit;

129.19 (2) withhold points; or

129.20 (3) otherwise penalize an authorizer for failing to charter additional schools or for
129.21 the absence of complaints against the authorizer's current portfolio of charter schools.

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

129.23 Sec. 3. Minnesota Statutes 2015 Supplement, section 124E.05, subdivision 7, is
129.24 amended to read:

129.25 Subd. 7. **Withdrawal.** If the governing board of an approved authorizer votes to
129.26 withdraw as an approved authorizer for a reason unrelated to any cause under section
129.27 124E.10, subdivision 4, the authorizer must notify all its chartered schools and the
129.28 commissioner in writing by July 15 of its intent to withdraw as an authorizer on June 30
129.29 in the next calendar year, regardless of when the authorizer's five-year term of approval
129.30 ends. The commissioner may approve the transfer of a charter school to a new authorizer
129.31 ~~under this subdivision after the new authorizer submits an affidavit to the commissioner~~
129.32 section 124E.10, subdivision 5.

129.33 Sec. 4. Minnesota Statutes 2015 Supplement, section 124E.10, subdivision 1, is
129.34 amended to read:

130.1 Subdivision 1. **Contents.** (a) The authorization for a charter school must be in the
130.2 form of a written contract signed by the authorizer and the board of directors of the charter
130.3 school. The contract must be completed within 45 business days of the commissioner's
130.4 approval of the authorizer's affidavit. The authorizer shall submit to the commissioner a
130.5 copy of the signed charter contract within ten business days of its execution. The contract
130.6 for a charter school must be in writing and contain at least the following:

130.7 (1) a declaration that the charter school will carry out the primary purpose in section
130.8 124E.01, subdivision 1, and how the school will report its implementation of the primary
130.9 purpose;

130.10 (2) a declaration of the additional purpose or purposes in section 124E.01,
130.11 subdivision 1, that the school intends to carry out and how the school will report its
130.12 implementation of those purposes;

130.13 (3) a description of the school program and the specific academic and nonacademic
130.14 outcomes that pupils must achieve;

130.15 (4) a statement of admission policies and procedures;

130.16 (5) a governance, management, and administration plan for the school;

130.17 (6) signed agreements from charter school board members to comply with all
130.18 federal and state laws governing organizational, programmatic, and financial requirements
130.19 applicable to charter schools;

130.20 (7) the criteria, processes, and procedures that the authorizer will use to monitor and
130.21 evaluate the fiscal, operational, and academic performance consistent with subdivision
130.22 3, paragraphs (a) and (b);

130.23 (8) for contract renewal, the formal written performance evaluation of the school
130.24 that is a prerequisite for reviewing a charter contract under subdivision 3;

130.25 (9) types and amounts of insurance liability coverage to be obtained by the charter
130.26 school, consistent with section 124E.03, subdivision 2, paragraph (d);

130.27 (10) consistent with section 124E.09, paragraph (d), a provision to indemnify and
130.28 hold harmless the authorizer and its officers, agents, and employees from any suit, claim,
130.29 or liability arising from any operation of the charter school, and the commissioner and
130.30 department officers, agents, and employees notwithstanding section 3.736;

130.31 (11) the term of the initial contract, which may be up to five years plus ~~an additional~~
130.32 a preoperational planning year period, and up to five years for a renewed contract or a
130.33 contract with a new authorizer after a transfer of authorizers, if warranted by the school's
130.34 academic, financial, and operational performance;

130.35 (12) how the board of directors or the operators of the charter school will provide
130.36 special instruction and services for children with a disability under sections 125A.03

131.1 to 125A.24, and 125A.65, a description of the financial parameters within which the
131.2 charter school will operate to provide the special instruction and services to children
131.3 with a disability;

131.4 (13) the specific conditions for contract renewal that identify performance of all
131.5 students under the primary purpose of section 124E.01, subdivision 1, as the most
131.6 important factor in determining contract renewal;

131.7 (14) the additional purposes under section 124E.01, subdivision 1, and related
131.8 performance obligations under clause (7) contained in the charter contract as additional
131.9 factors in determining contract renewal; and

131.10 (15) the plan for an orderly closing of the school under chapter 317A, whether
131.11 the closure is a termination for cause, a voluntary termination, or a nonrenewal of the
131.12 contract, that includes establishing the responsibilities of the school board of directors
131.13 and the authorizer and notifying the commissioner, authorizer, school district in which the
131.14 charter school is located, and parents of enrolled students about the closure, information
131.15 and assistance sufficient to enable the student to re-enroll in another school, the transfer
131.16 of student records under section 124E.03, subdivision 5, paragraph (b), and procedures
131.17 for closing financial operations.

131.18 (b) A charter school must design its programs to at least meet the outcomes adopted
131.19 by the commissioner for public school students, including world's best workforce goals
131.20 under section 120B.11, subdivision 1. In the absence of the commissioner's requirements,
131.21 the school must meet the outcomes contained in the contract with the authorizer. The
131.22 achievement levels of the outcomes contained in the contract may exceed the achievement
131.23 levels of any outcomes adopted by the commissioner for public school students.

131.24 Sec. 5. Minnesota Statutes 2015 Supplement, section 124E.10, subdivision 5, is
131.25 amended to read:

131.26 Subd. 5. **Mutual nonrenewal.** If the authorizer and the charter school board of
131.27 directors mutually agree not to renew the contract, or if the governing board of an approved
131.28 authorizer votes to withdraw as an approved authorizer for a reason unrelated to any cause
131.29 under subdivision 4, a change in authorizers is allowed. The authorizer and the school
131.30 board must jointly submit a written and signed letter of their intent to the commissioner to
131.31 mutually not renew the contract. The authorizer that is a party to the existing contract must
131.32 inform the proposed authorizer about the fiscal, operational, and student performance status
131.33 of the school, ~~as well as any~~ including unmet contract outcomes and other outstanding
131.34 contractual obligations that exist. The charter contract between the proposed authorizer
131.35 and the school must identify and provide a plan to address any outstanding obligations from

132.1 the previous contract. The proposed contract must be submitted at least 105 business days
132.2 before the end of the existing charter contract. The commissioner shall have 30 business
132.3 days to review and make a determination. The proposed authorizer and the school shall
132.4 have 15 business days to respond to the determination and address any issues identified by
132.5 the commissioner. A final determination by the commissioner shall be made no later than
132.6 45 business days before the end of the current charter contract. If no change in authorizer
132.7 is approved, the school and the current authorizer may withdraw their letter of nonrenewal
132.8 and enter into a new contract. If the transfer of authorizers is not approved and the current
132.9 authorizer and the school do not withdraw their letter and enter into a new contract, the
132.10 school must be dissolved according to applicable law and the terms of the contract.

132.11 Sec. 6. Minnesota Statutes 2015 Supplement, section 124E.16, subdivision 2, is
132.12 amended to read:

132.13 Subd. 2. **Annual public reports.** (a) A charter school must publish an annual report
132.14 approved by the board of directors. The annual report must at least include information
132.15 on school enrollment, student attrition, governance and management, staffing, finances,
132.16 academic performance, innovative practices and implementation, and future plans. A
132.17 charter school may combine this report with the reporting required under section 120B.11.
132.18 A charter school must post the annual report on the school's official Web site. A charter
132.19 school must also distribute the annual report by publication, mail, or electronic means to
132.20 its authorizer, school employees, and parents and legal guardians of students enrolled in
132.21 the charter school. The reports are public data under chapter 13.

132.22 (b) ~~The commissioner shall establish specifications for~~ An authorizer must submit an
132.23 authorizer's annual public report that in a manner specified by the commissioner by January
132.24 15 for the previous school year ending June 30 that shall at least include key indicators of
132.25 school academic, operational, and financial performance. The report is part of the system
132.26 to evaluate authorizer performance under section 124E.05, subdivision 5. ~~The report shall~~
132.27 ~~at least include key indicators of school academic, operational, and financial performance.~~

132.28 Sec. 7. Minnesota Statutes 2014, section 127A.45, subdivision 6a, is amended to read:

132.29 Subd. 6a. **Cash flow adjustment.** The board of directors of any ~~charter school~~
132.30 ~~servicing fewer than 200 students where the percent of students eligible for special~~
132.31 ~~education services equals at least 90 percent of the charter school's total enrollment~~
132.32 eligible special education charter school under section 124E.21, subdivision 2, may
132.33 request that the commissioner of education accelerate the school's cash flow under this
132.34 section. The commissioner must approve a properly submitted request within 30 days of

133.1 its receipt. The commissioner must accelerate the school's regular special education aid
 133.2 payments according to the schedule in the school's request and modify the payments to the
 133.3 school under subdivision 3 accordingly. A school must not receive current payments of
 133.4 regular special education aid exceeding 90 percent of its estimated aid entitlement for the
 133.5 fiscal year. The commissioner must delay the special education aid payments to all other
 133.6 school districts and charter schools in proportion to each district or charter school's total
 133.7 share of regular special education aid such that the overall aid payment savings from the
 133.8 aid payment shift remains unchanged for any fiscal year.

133.9 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
 133.10 later.

133.11 Sec. 8. Laws 2015, First Special Session chapter 3, article 4, section 4, the effective
 133.12 date, is amended to read:

133.13 **EFFECTIVE DATE.** This section is effective the day following final enactment
 133.14 except the provision under paragraph (g) allowing prekindergarten deaf or hard-of-hearing
 133.15 pupils to enroll in a charter school is effective ~~only if the commissioner of education~~
 133.16 ~~determines there is no added cost attributable to the pupil~~ for the 2016-2017 school year
 133.17 and later.

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

133.19 **ARTICLE 10**

133.20 **SPECIAL EDUCATION**

133.21 Section 1. Minnesota Statutes 2015 Supplement, section 120B.125, is amended to read:

133.22 **120B.125 PLANNING FOR STUDENTS' SUCCESSFUL TRANSITION**
 133.23 **TO POSTSECONDARY EDUCATION AND EMPLOYMENT; PERSONAL**
 133.24 **LEARNING PLANS.**

133.25 (a) Consistent with sections 120B.13, 120B.131, 120B.132, 120B.14, 120B.15,
 133.26 120B.30, subdivision 1, paragraph (c), 125A.08, and other related sections, school
 133.27 districts, beginning in the 2013-2014 school year, must assist all students by no later
 133.28 than grade 9 to explore their educational, college, and career interests, aptitudes, and
 133.29 aspirations and develop a plan for a smooth and successful transition to postsecondary
 133.30 education or employment. All students' plans must:

133.31 (1) provide a comprehensive plan to prepare for and complete a career and college
 133.32 ready curriculum by meeting state and local academic standards and developing career and

134.1 employment-related skills such as team work, collaboration, creativity, communication,
134.2 critical thinking, and good work habits;

134.3 (2) emphasize academic rigor and high expectations;

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

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

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

134.10 (6) integrate strong academic content into career-focused courses and applied and
134.11 experiential learning opportunities and integrate relevant career-focused courses and
134.12 applied and experiential learning opportunities into strong academic content;

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

134.17 (8) help identify collaborative partnerships among prekindergarten through grade
134.18 12 schools, postsecondary institutions, economic development agencies, and local and
134.19 regional employers that support students' transition to postsecondary education and
134.20 employment and provide students with applied and experiential learning opportunities; and

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

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

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

134.35 (d) When assisting students in developing a plan for a smooth and successful
134.36 transition to postsecondary education and employment, districts must recognize the unique

135.1 possibilities of each student and ensure that the contents of each student's plan reflect the
 135.2 student's unique talents, skills, and abilities as the student grows, develops, and learns.

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

135.6 Sec. 2. Minnesota Statutes 2014, section 122A.31, subdivision 3, is amended to read:

135.7 Subd. 3. **Qualified interpreters.** The Department of Education ~~and the resource~~
 135.8 ~~center:~~ state specialist for deaf and hard-of-hearing ~~hard-of-hearing~~ shall work with
 135.9 existing interpreter/transliterator training programs, other training/educational institutions,
 135.10 and the regional service centers to ensure that ongoing staff development training for
 135.11 educational interpreters/transliterators is provided throughout the state.

135.12 Sec. 3. Minnesota Statutes 2014, section 124D.15, subdivision 15, is amended to read:

135.13 Subd. 15. **Eligibility.** A child is eligible to participate in a school readiness program
 135.14 if the child:

135.15 (1) is at least three years old on September 1;

135.16 (2) has completed health and developmental screening within 90 days of program
 135.17 enrollment under sections 121A.16 to 121A.19; and

135.18 (3) has one or more of the following risk factors:

135.19 (i) qualifies for free or reduced-price lunch;

135.20 (ii) is an English learner;

135.21 (iii) is homeless;

135.22 (iv) has an individualized education program (IEP) or ~~an individual interagency~~
 135.23 ~~intervention plan (HHP)~~ standardized written plan;

135.24 (v) is identified, through health and developmental screenings under sections
 135.25 121A.16 to 121A.19, with a potential risk factor that may influence learning; or

135.26 (vi) is defined as ~~at-risk~~ at risk by the school district.

135.27 Sec. 4. Minnesota Statutes 2015 Supplement, section 125A.08, is amended to read:

135.28 **125A.08 INDIVIDUALIZED EDUCATION PROGRAMS.**

135.29 (a) At the beginning of each school year, each school district shall have in effect, for
 135.30 each child with a disability, an individualized education program.

135.31 (b) As defined in this section, every district must ensure the following:

135.32 (1) all students with disabilities are provided the special instruction and services
 135.33 which are appropriate to their needs. Where the individualized education program team

136.1 has determined appropriate goals and objectives based on the student's needs, including
136.2 the extent to which the student can be included in the least restrictive environment,
136.3 and where there are essentially equivalent and effective instruction, related services, or
136.4 assistive technology devices available to meet the student's needs, cost to the district may
136.5 be among the factors considered by the team in choosing how to provide the appropriate
136.6 services, instruction, or devices that are to be made part of the student's individualized
136.7 education program. The individualized education program team shall consider and
136.8 may authorize services covered by medical assistance according to section 256B.0625,
136.9 subdivision 26. The student's needs and the special education instruction and services to
136.10 be provided must be agreed upon through the development of an individualized education
136.11 program. The program must address the student's need to develop skills to live and work
136.12 as independently as possible within the community. The individualized education program
136.13 team must consider positive behavioral interventions, strategies, and supports that address
136.14 behavior needs for children. During grade 9, the program must address the student's
136.15 needs for transition from secondary services to postsecondary education and training,
136.16 employment, community participation, recreation, and leisure and home living. In
136.17 developing the program, districts must inform parents of the full range of transitional goals
136.18 and related services that should be considered. The program must include a statement of
136.19 the needed transition services, including a statement of the interagency responsibilities
136.20 or linkages or both before secondary services are concluded. If the IEP meets the plan
136.21 components in section 120B.125, the IEP satisfies the requirement and no additional
136.22 transition plan is needed;

136.23 (2) children with a disability under age five and their families are provided special
136.24 instruction and services appropriate to the child's level of functioning and needs;

136.25 (3) children with a disability and their parents or guardians are guaranteed procedural
136.26 safeguards and the right to participate in decisions involving identification, assessment
136.27 including assistive technology assessment, and educational placement of children with a
136.28 disability;

136.29 (4) eligibility and needs of children with a disability are determined by an initial
136.30 evaluation or reevaluation, which may be completed using existing data under United
136.31 States Code, title 20, section 33, et seq.;

136.32 (5) to the maximum extent appropriate, children with a disability, including those
136.33 in public or private institutions or other care facilities, are educated with children who
136.34 are not disabled, and that special classes, separate schooling, or other removal of children
136.35 with a disability from the regular educational environment occurs only when and to the

137.1 extent that the nature or severity of the disability is such that education in regular classes
 137.2 with the use of supplementary services cannot be achieved satisfactorily;

137.3 (6) in accordance with recognized professional standards, testing and evaluation
 137.4 materials, and procedures used for the purposes of classification and placement of children
 137.5 with a disability are selected and administered so as not to be racially or culturally
 137.6 discriminatory; and

137.7 (7) the rights of the child are protected when the parents or guardians are not known
 137.8 or not available, or the child is a ward of the state.

137.9 (c) For all paraprofessionals employed to work in programs whose role in part is
 137.10 to provide direct support to students with disabilities, the school board in each district
 137.11 shall ensure that:

137.12 (1) before or beginning at the time of employment, each paraprofessional must
 137.13 develop sufficient knowledge and skills in emergency procedures, building orientation,
 137.14 roles and responsibilities, confidentiality, vulnerability, and reportability, among other
 137.15 things, to begin meeting the needs, especially disability-specific and behavioral needs, of
 137.16 the students with whom the paraprofessional works;

137.17 (2) annual training opportunities are required to enable the paraprofessional to
 137.18 continue to further develop the knowledge and skills that are specific to the students with
 137.19 whom the paraprofessional works, including understanding disabilities, the unique and
 137.20 individual needs of each student according to the student's disability and how the disability
 137.21 affects the student's education and behavior, following lesson plans, and implementing
 137.22 follow-up instructional procedures and activities; and

137.23 (3) a districtwide process obligates each paraprofessional to work under the ongoing
 137.24 direction of a licensed teacher and, where appropriate and possible, the supervision of a
 137.25 school nurse.

137.26 Sec. 5. Minnesota Statutes 2015 Supplement, section 125A.083, is amended to read:

137.27 **125A.083 STUDENT INFORMATION SYSTEMS; TRANSFERRING**
 137.28 **RECORDS.**

137.29 (a) To efficiently and effectively meet federal and state compliance and
 137.30 accountability requirements using an online case management reporting system, beginning
 137.31 July 1, 2018, a school districts district may contract only for a student information system
 137.32 that is Schools Interoperability Framework compliant ~~and compatible with the~~.

137.33 (b) Beginning on July 1 of the fiscal year following the year that the commissioner
 137.34 of education certifies to the legislature under paragraph (c) that a compatible compliant
 137.35 system exists, a school district must use an online system for compliance reporting

138.1 under section 125A.085 ~~beginning in the 2018-2019 school year and later~~. A district's
138.2 information system under this section must facilitate the seamless transfer of student
138.3 records for a student with disabilities who transfers between school districts, including
138.4 records containing the student's evaluation report, service plan, and other due process
138.5 forms and information, regardless of what information system any one district uses.

138.6 (c) As a part of the annual report required under section 125A.085, paragraph (f), the
138.7 commissioner must specify whether a compatible compliant system exists and if so, list
138.8 each vendor's systems that meet the criteria in paragraph (b).

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

138.10 Sec. 6. Minnesota Statutes 2014, section 125A.091, subdivision 11, is amended to read:

138.11 Subd. 11. **Facilitated team meeting.** A facilitated team meeting is an IEP, IFSP, or
138.12 ~~HP~~ multiagency team meeting led by an impartial state-provided facilitator to promote
138.13 effective communication and assist a team in developing an individualized education
138.14 program.

138.15 Sec. 7. Minnesota Statutes 2015 Supplement, section 125A.0942, subdivision 3,
138.16 is amended to read:

138.17 Subd. 3. **Physical holding or seclusion.** (a) Physical holding or seclusion may be
138.18 used only in an emergency. A school that uses physical holding or seclusion shall meet the
138.19 following requirements:

138.20 (1) physical holding or seclusion is the least intrusive intervention that effectively
138.21 responds to the emergency;

138.22 (2) physical holding or seclusion is not used to discipline a noncompliant child;

138.23 (3) physical holding or seclusion ends when the threat of harm ends and the staff
138.24 determines the child can safely return to the classroom or activity;

138.25 (4) staff directly observes the child while physical holding or seclusion is being used;

138.26 (5) each time physical holding or seclusion is used, the staff person who implements
138.27 or oversees the physical holding or seclusion documents, as soon as possible after the
138.28 incident concludes, the following information:

138.29 (i) a description of the incident that led to the physical holding or seclusion;

138.30 (ii) why a less restrictive measure failed or was determined by staff to be
138.31 inappropriate or impractical;

138.32 (iii) the time the physical holding or seclusion began and the time the child was
138.33 released; and

138.34 (iv) a brief record of the child's behavioral and physical status;

- 139.1 (6) the room used for seclusion must:
- 139.2 (i) be at least six feet by five feet;
- 139.3 (ii) be well lit, well ventilated, adequately heated, and clean;
- 139.4 (iii) have a window that allows staff to directly observe a child in seclusion;
- 139.5 (iv) have tamperproof fixtures, electrical switches located immediately outside the
- 139.6 door, and secure ceilings;
- 139.7 (v) have doors that open out and are unlocked, locked with keyless locks that
- 139.8 have immediate release mechanisms, or locked with locks that have immediate release
- 139.9 mechanisms connected with a fire and emergency system; and
- 139.10 (vi) not contain objects that a child may use to injure the child or others; and
- 139.11 (7) before using a room for seclusion, a school must:
- 139.12 (i) receive written notice from local authorities that the room and the locking
- 139.13 mechanisms comply with applicable building, fire, and safety codes; and
- 139.14 (ii) register the room with the commissioner, who may view that room; and
- 139.15 ~~(8) until August 1, 2015, a school district may use prone restraints with children~~
- 139.16 ~~age five or older if:~~
- 139.17 ~~(i) the district has provided to the department a list of staff who have had specific~~
- 139.18 ~~training on the use of prone restraints;~~
- 139.19 ~~(ii) the district provides information on the type of training that was provided and~~
- 139.20 ~~by whom;~~
- 139.21 ~~(iii) only staff who received specific training use prone restraints;~~
- 139.22 ~~(iv) each incident of the use of prone restraints is reported to the department within~~
- 139.23 ~~five working days on a form provided by the department; and~~
- 139.24 ~~(v) the district, before using prone restraints, must review any known medical or~~
- 139.25 ~~psychological limitations that contraindicate the use of prone restraints.~~
- 139.26 ~~The department must collect data on districts' use of prone restraints and publish the~~
- 139.27 ~~data in a readily accessible format on the department's Web site on a quarterly basis.~~
- 139.28 (b) By February 1, 2015, and annually thereafter, stakeholders may, as necessary,
- 139.29 recommend to the commissioner specific and measurable implementation and outcome
- 139.30 goals for reducing the use of restrictive procedures and the commissioner must submit to
- 139.31 the legislature a report on districts' progress in reducing the use of restrictive procedures
- 139.32 that recommends how to further reduce these procedures and eliminate the use of
- 139.33 ~~prone restraints~~ seclusion. The statewide plan includes the following components:
- 139.34 measurable goals; the resources, training, technical assistance, mental health services,
- 139.35 and collaborative efforts needed to significantly reduce districts' use of ~~prone restraints~~
- 139.36 seclusion; and recommendations to clarify and improve the law governing districts' use

140.1 of restrictive procedures. The commissioner must consult with interested stakeholders
140.2 when preparing the report, including representatives of advocacy organizations, special
140.3 education directors, teachers, paraprofessionals, intermediate school districts, school
140.4 boards, day treatment providers, county social services, state human services department
140.5 staff, mental health professionals, and autism experts. ~~By June 30~~ Beginning with the
140.6 2016-2017 school year, in a form and manner determined by the commissioner, districts
140.7 must report data quarterly to the department by January 15, April 15, July 15, and October
140.8 15 about individual students who have been secluded. By July 15 each year, districts
140.9 must report summary data on their use of restrictive procedures to the department for
140.10 the prior school year, July 1 through June 30, in a form and manner determined by the
140.11 commissioner. The summary data must include information about the use of restrictive
140.12 procedures, including use of reasonable force under section 121A.582.

140.13 **EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and
140.14 later.

140.15 Sec. 8. Minnesota Statutes 2014, section 125A.0942, subdivision 4, is amended to read:

140.16 Subd. 4. **Prohibitions.** The following actions or procedures are prohibited:

140.17 (1) engaging in conduct prohibited under section 121A.58;

140.18 (2) requiring a child to assume and maintain a specified physical position, activity,
140.19 or posture that induces physical pain;

140.20 (3) totally or partially restricting a child's senses as punishment;

140.21 (4) presenting an intense sound, light, or other sensory stimuli using smell, taste,
140.22 substance, or spray as punishment;

140.23 (5) denying or restricting a child's access to equipment and devices such as walkers,
140.24 wheelchairs, hearing aids, and communication boards that facilitate the child's functioning,
140.25 except when temporarily removing the equipment or device is needed to prevent injury
140.26 to the child or others or serious damage to the equipment or device, in which case the
140.27 equipment or device shall be returned to the child as soon as possible;

140.28 (6) interacting with a child in a manner that constitutes sexual abuse, neglect, or
140.29 physical abuse under section 626.556;

140.30 (7) withholding regularly scheduled meals or water;

140.31 (8) denying access to bathroom facilities; ~~and~~

140.32 (9) physical holding that restricts or impairs a child's ability to breathe, restricts or
140.33 impairs a child's ability to communicate distress, places pressure or weight on a child's
140.34 head, throat, neck, chest, lungs, sternum, diaphragm, back, or abdomen, or results in
140.35 straddling a child's torso; and

141.1 (10) prone restraint.

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

141.3 Sec. 9. Minnesota Statutes 2015 Supplement, section 125A.11, subdivision 1, is
141.4 amended to read:

141.5 Subdivision 1. **Nonresident tuition rate; other costs.** (a) For fiscal year 2015 and
141.6 later, when a school district provides special instruction and services for a pupil with
141.7 a disability as defined in section 125A.02 outside the district of residence, excluding
141.8 a pupil for whom an adjustment to special education aid is calculated according to
141.9 section 127A.47, subdivision 7, paragraphs (b) to (d), special education aid paid to the
141.10 resident district must be reduced by an amount equal to (1) the actual cost of providing
141.11 special instruction and services to the pupil, including a proportionate amount for special
141.12 transportation ~~and unreimbursed building lease and debt service costs for facilities~~
141.13 ~~used primarily for special education~~, plus (2) the amount of general education revenue,
141.14 excluding local optional revenue, plus local optional aid and referendum equalization aid
141.15 attributable to that pupil, calculated using the resident district's average general education
141.16 revenue and referendum equalization aid per adjusted pupil unit excluding basic skills
141.17 revenue, elementary sparsity revenue and secondary sparsity revenue, minus (3) the
141.18 amount of special education aid for children with a disability under section 125A.76
141.19 received on behalf of that child, minus (4) if the pupil receives special instruction and
141.20 services outside the regular classroom for more than 60 percent of the school day, the
141.21 amount of general education revenue and referendum equalization aid, excluding portions
141.22 attributable to district and school administration, district support services, operations and
141.23 maintenance, capital expenditures, and pupil transportation, attributable to that pupil
141.24 for the portion of time the pupil receives special instruction and services outside of the
141.25 regular classroom, calculated using the resident district's average general education
141.26 revenue and referendum equalization aid per adjusted pupil unit excluding basic skills
141.27 revenue, elementary sparsity revenue and secondary sparsity revenue and the serving
141.28 district's basic skills revenue, elementary sparsity revenue and secondary sparsity revenue
141.29 per adjusted pupil unit. Notwithstanding clauses (1) and (4), for pupils served by a
141.30 cooperative unit without a fiscal agent school district, the general education revenue and
141.31 referendum equalization aid attributable to a pupil must be calculated using the resident
141.32 district's average general education revenue and referendum equalization aid excluding
141.33 compensatory revenue, elementary sparsity revenue, and secondary sparsity revenue.
141.34 Special education aid paid to the district or cooperative providing special instruction and
141.35 services for the pupil must be increased by the amount of the reduction in the aid paid

142.1 to the resident district. ~~Amounts paid to cooperatives under this subdivision and section~~
142.2 ~~127A.47, subdivision 7, shall be recognized and reported as revenues and expenditures on~~
142.3 ~~the resident school district's books of account under sections 123B.75 and 123B.76. If~~
142.4 the resident district's special education aid is insufficient to make the full adjustment, the
142.5 remaining adjustment shall be made to other state aid due to the district.

142.6 (b) Notwithstanding paragraph (a), when a charter school receiving special education
142.7 aid under section 124E.21, subdivision 3, provides special instruction and services for
142.8 a pupil with a disability as defined in section 125A.02, excluding a pupil for whom an
142.9 adjustment to special education aid is calculated according to section 127A.46, subdivision
142.10 7, paragraphs (b) to (e), special education aid paid to the resident district must be reduced
142.11 by an amount equal to that calculated under paragraph (a) as if the charter school received
142.12 aid under section 124E.21, subdivision 1. Notwithstanding paragraph (a), special education
142.13 aid paid to the charter school providing special instruction and services for the pupil must
142.14 not be increased by the amount of the reduction in the aid paid to the resident district.

142.15 (c) Notwithstanding paragraph (a) and section 127A.47, subdivision 7, paragraphs
142.16 (b) to (d);

142.17 (1) an intermediate district or a special education cooperative may recover
142.18 unreimbursed costs of serving pupils with a disability, including building lease, debt
142.19 service, and indirect costs necessary for the general operation of the organization, by
142.20 billing membership fees and nonmember access fees to the resident district;

142.21 (2) a charter school where more than 30 percent of enrolled students receive special
142.22 education and related services, a site approved under section 125A.515, an intermediate
142.23 district, or a special education cooperative, ~~or a school district that served as the applicant~~
142.24 ~~agency for a group of school districts for federal special education aids for fiscal year 2006~~
142.25 may apply to the commissioner for authority to charge the resident district an additional
142.26 amount to recover any remaining unreimbursed costs of serving pupils with a disability;

142.27 (3) the billing under clause (1) or application under clause (2) must include a
142.28 description of the costs and the calculations used to determine the unreimbursed portion to
142.29 be charged to the resident district. Amounts approved by the commissioner under this
142.30 paragraph clause (2) must be included in the tuition billings or aid adjustments under
142.31 paragraph (a), or section 127A.47, subdivision 7, paragraphs (b) to (d), as applicable.

142.32 (d) For purposes of this subdivision and section 127A.47, subdivision 7, paragraph
142.33 (b), "general education revenue and referendum equalization aid" means the sum of the
142.34 general education revenue according to section 126C.10, subdivision 1, excluding the
142.35 local optional levy according to section 126C.10, subdivision 2e, paragraph (c), plus the
142.36 referendum equalization aid according to section 126C.17, subdivision 7.

143.1 Sec. 10. Minnesota Statutes 2015 Supplement, section 125A.21, subdivision 3, is
143.2 amended to read:

143.3 Subd. 3. **Use of reimbursements.** ~~Of the reimbursements received, districts may~~
143.4 School districts must reserve third-party revenue and must spend the reimbursements
143.5 received only to:

143.6 (1) retain an amount sufficient to compensate the district for its administrative costs
143.7 of obtaining reimbursements;

143.8 (2) regularly obtain from education- and health-related entities training and other
143.9 appropriate technical assistance designed to improve the district's ability to access
143.10 third-party payments for individualized education program or individualized family
143.11 service plan health-related services; or

143.12 (3) reallocate reimbursements for the benefit of students with individualized
143.13 education programs or individualized family service plans in the district.

143.14 Sec. 11. Minnesota Statutes 2015 Supplement, section 125A.63, subdivision 4, is
143.15 amended to read:

143.16 Subd. 4. **Advisory committees.** (a) The commissioner shall establish advisory
143.17 committees for the deaf and hard-of-hearing and for the blind and visually impaired. The
143.18 advisory committees shall develop recommendations and submit an annual report to the
143.19 commissioner on the form and in the manner prescribed by the commissioner.

143.20 (b) The advisory committees for the deaf and hard of hearing and for the blind and
143.21 visually impaired shall meet periodically at least four times per year ~~and~~. The committees
143.22 must each review, approve, and submit an annual a biennial report to the commissioner,
143.23 the education policy and finance committees of the legislature, and the Commission of
143.24 Deaf, DeafBlind, and Hard-of-Hearing Minnesotans. The reports must, at least:

143.25 (1) identify and report the aggregate, data-based education outcomes for children
143.26 with the primary disability classification of deaf and hard of hearing or of blind and
143.27 visually impaired, consistent with the commissioner's child count reporting practices, the
143.28 commissioner's state and local outcome data reporting system by district and region, and
143.29 the school performance report cards under section 120B.36, subdivision 1; and

143.30 (2) describe the implementation of a data-based plan for improving the education
143.31 outcomes of deaf and hard of hearing or blind and visually impaired children that is
143.32 premised on evidence-based best practices, and provide a cost estimate for ongoing
143.33 implementation of the plan.

144.1 Sec. 12. Minnesota Statutes 2015 Supplement, section 125A.76, subdivision 2c,
144.2 is amended to read:

144.3 Subd. 2c. **Special education aid.** (a) For fiscal year 2014 and fiscal year 2015, a
144.4 district's special education aid equals the sum of the district's special education aid under
144.5 subdivision 5, the district's cross subsidy reduction aid under subdivision 2b, and the
144.6 district's excess cost aid under section 125A.79, subdivision 7.

144.7 (b) For fiscal year 2016 and later, a district's special education aid equals the sum of
144.8 the district's special education initial aid under subdivision 2a and the district's excess cost
144.9 aid under section 125A.79, subdivision 5.

144.10 (c) Notwithstanding paragraph (b), for fiscal year 2016, the special education aid for
144.11 a school district must not exceed the sum of the special education aid the district would
144.12 have received for fiscal year 2016 under Minnesota Statutes 2012, sections 125A.76
144.13 and 125A.79, as adjusted according to Minnesota Statutes 2012, sections 125A.11 and
144.14 127A.47, subdivision 7, and the product of the district's average daily membership served
144.15 and the special education aid increase limit.

144.16 (d) Notwithstanding paragraph (b), for fiscal year 2017 and later, the special education
144.17 aid for a school district must not exceed the sum of: (i) the product of the district's average
144.18 daily membership served and the special education aid increase limit and (ii) the product
144.19 of the sum of the special education aid the district would have received for fiscal year 2016
144.20 under Minnesota Statutes 2012, sections 125A.76 and 125A.79, as adjusted according
144.21 to Minnesota Statutes 2012, sections 125A.11 and 127A.47, subdivision 7, the ratio of
144.22 the district's average daily membership served for the current fiscal year to the district's
144.23 average daily membership served for fiscal year 2016, and the program growth factor.

144.24 (e) Notwithstanding paragraph (b), for fiscal year 2016 and later the special
144.25 education aid for a school district, not including a charter school or cooperative unit as
144.26 defined in section 123A.24, must not be less than the lesser of (1) the district's nonfederal
144.27 special education expenditures for that fiscal year or (2) the product of the sum of the
144.28 special education aid the district would have received for fiscal year 2016 under Minnesota
144.29 Statutes 2012, sections 125A.76 and 125A.79, as adjusted according to Minnesota Statutes
144.30 2012, sections 125A.11 and 127A.47, subdivision 7, the ratio of the district's adjusted
144.31 daily membership for the current fiscal year to the district's average daily membership for
144.32 fiscal year 2016, and the program growth factor.

144.33 (f) Notwithstanding subdivision 2a and section 125A.79, a charter school in its first
144.34 year of operation shall generate special education aid based on current year data. A newly
144.35 formed cooperative unit as defined in section 123A.24 may apply to the commissioner
144.36 for approval to generate special education aid for its first year of operation based on

145.1 current year data, with an offsetting adjustment to the prior year data used to calculate aid
145.2 for programs at participating school districts or previous cooperatives that were replaced
145.3 by the new cooperative.

145.4 (g) The department shall establish procedures through the uniform financial
145.5 accounting and reporting system to identify and track all revenues generated from
145.6 third-party billings as special education revenue at the school district level; include revenue
145.7 generated from third-party billings as special education revenue in the annual cross-subsidy
145.8 report; and exclude third-party revenue from calculation of excess cost aid to the districts.

145.9 Sec. 13. Minnesota Statutes 2015 Supplement, section 125A.79, subdivision 1, is
145.10 amended to read:

145.11 Subdivision 1. **Definitions.** For the purposes of this section, the definitions in this
145.12 subdivision apply.

145.13 (a) "Unreimbursed old formula special education expenditures" means:

145.14 (1) old formula special education expenditures for the prior fiscal year; minus

145.15 (2) for fiscal years 2014 and 2015, the sum of the special education aid under section
145.16 125A.76, subdivision 5, for the prior fiscal year and the cross subsidy reduction aid under
145.17 section 125A.76, subdivision 2b, and for fiscal year 2016 and later, the special education
145.18 initial aid under section 125A.76, subdivision 2a; minus

145.19 (3) for fiscal year 2016 and later, the amount of general education revenue, excluding
145.20 local optional revenue, plus local optional aid and referendum equalization aid for the
145.21 prior fiscal year attributable to pupils receiving special instruction and services outside the
145.22 regular classroom for more than 60 percent of the school day for the portion of time the
145.23 pupils receive special instruction and services outside the regular classroom, excluding
145.24 portions attributable to district and school administration, district support services,
145.25 operations and maintenance, capital expenditures, and pupil transportation.

145.26 (b) "Unreimbursed nonfederal special education expenditures" means:

145.27 (1) nonfederal special education expenditures for the prior fiscal year; minus

145.28 (2) special education initial aid under section 125A.76, subdivision 2a; minus

145.29 (3) the amount of general education revenue, excluding local optional revenue, plus
145.30 local optional aid, and referendum equalization aid for the prior fiscal year attributable
145.31 to pupils receiving special instruction and services outside the regular classroom for
145.32 more than 60 percent of the school day for the portion of time the pupils receive special
145.33 instruction and services outside of the regular classroom, excluding portions attributable to
145.34 district and school administration, district support services, operations and maintenance,
145.35 capital expenditures, and pupil transportation.

146.1 (c) "General revenue" for a school district means the sum of the general education
146.2 revenue according to section 126C.10, subdivision 1, excluding transportation sparsity
146.3 revenue, local optional revenue, and total operating capital revenue. "General revenue"
146.4 for a charter school means the sum of the general education revenue according to section
146.5 124E.20, subdivision 1, and transportation revenue according to section 124E.23,
146.6 excluding referendum equalization aid, transportation sparsity revenue, and operating
146.7 capital revenue.

146.8 Sec. 14. Minnesota Statutes 2015 Supplement, section 127A.47, subdivision 7, is
146.9 amended to read:

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

146.14 (b) For purposes of this subdivision, the "unreimbursed cost of providing special
146.15 education and services" means the difference between: (1) the actual cost of providing
146.16 special instruction and services, including special transportation and unreimbursed
146.17 building lease and debt service costs for facilities used primarily for special education, for
146.18 a pupil with a disability, as defined in section 125A.02, or a pupil, as defined in section
146.19 125A.51, who is enrolled in a program listed in this subdivision, minus (2) if the pupil
146.20 receives special instruction and services outside the regular classroom for more than
146.21 60 percent of the school day, the amount of general education revenue, excluding local
146.22 optional revenue, plus local optional aid and referendum equalization aid as defined in
146.23 section 125A.11, subdivision 1, paragraph (d), attributable to that pupil for the portion of
146.24 time the pupil receives special instruction and services outside of the regular classroom,
146.25 excluding portions attributable to district and school administration, district support
146.26 services, operations and maintenance, capital expenditures, and pupil transportation,
146.27 minus (3) special education aid under section 125A.76 attributable to that pupil, that is
146.28 received by the district providing special instruction and services. For purposes of this
146.29 paragraph, general education revenue and referendum equalization aid attributable to a
146.30 pupil must be calculated using the serving district's average general education revenue
146.31 and referendum equalization aid per adjusted pupil unit.

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

147.1 (d) Notwithstanding paragraph (c), special education aid paid to a resident district
147.2 must be reduced by an amount equal to 100 percent of the unreimbursed cost of special
147.3 education and services provided to students at an intermediate district, cooperative, or
147.4 charter school where the percent of students eligible for special education services is at
147.5 least 70 percent of the charter school's total enrollment.

147.6 (e) Notwithstanding paragraph (c), special education aid paid to a resident district
147.7 must be reduced under paragraph (d) for students at a charter school receiving special
147.8 education aid under section 124E.21, subdivision 3, calculated as if the charter school
147.9 received special education aid under section 124E.21, subdivision 1.

147.10 (f) Special education aid paid to the district or cooperative providing special
147.11 instruction and services for the pupil, or to the fiscal agent district for a cooperative, must
147.12 be increased by the amount of the reduction in the aid paid to the resident district under
147.13 paragraphs (c) and (d). If the resident district's special education aid is insufficient to make
147.14 the full adjustment under paragraphs (c), (d), and (e), the remaining adjustment shall be
147.15 made to other state aids due to the district.

147.16 (g) Notwithstanding paragraph (a), general education aid paid to the resident district
147.17 of a nonspecial education student for whom an eligible special education charter school
147.18 receives general education aid under section 124E.20, subdivision 1, paragraph (c), must
147.19 be reduced by an amount equal to the difference between the general education aid
147.20 attributable to the student under section 124E.20, subdivision 1, paragraph (c), and the
147.21 general education aid that the student would have generated for the charter school under
147.22 section 124E.20, subdivision 1, paragraph (a). For purposes of this paragraph, "nonspecial
147.23 education student" means a student who does not meet the definition of pupil with a
147.24 disability as defined in section 125A.02 or the definition of a pupil in section 125A.51.

147.25 (h) An area learning center operated by a service cooperative, intermediate district,
147.26 education district, or a joint powers cooperative may elect through the action of the
147.27 constituent boards to charge the resident district tuition for pupils rather than to have the
147.28 general education revenue paid to a fiscal agent school district. Except as provided in
147.29 paragraph (f), the district of residence must pay tuition equal to at least 90 and no more
147.30 than 100 percent of the district average general education revenue per pupil unit minus
147.31 an amount equal to the product of the formula allowance according to section 126C.10,
147.32 subdivision 2, times .0466, calculated without compensatory revenue, local optional
147.33 revenue, and transportation sparsity revenue, times the number of pupil units for pupils
147.34 attending the area learning center.

148.1 Sec. 15. Laws 2015, First Special Session chapter 3, article 5, section 30, subdivision
 148.2 2, is amended to read:

148.3 Subd. 2. **Special education; regular.** For special education aid under Minnesota
 148.4 Statutes, section 125A.75:

148.5		1,170,929,000		
148.6	\$	<u>1,183,619,000</u>	.....	2016
148.7		1,229,706,000		
148.8	\$	<u>1,246,997,000</u>	.....	2017

148.9 The 2016 appropriation includes \$137,932,000 for 2015 and ~~\$1,032,997,000~~
 148.10 \$1,045,687,000 for 2016.

148.11 The 2017 appropriation includes ~~\$145,355,000~~ \$147,202,000 for 2016 and
 148.12 ~~\$1,084,351,000~~ \$1,099,795,000 for 2017.

148.13 Sec. 16. **REDUCING STATE-GENERATED SPECIAL EDUCATION**
 148.14 **PAPERWORK.**

148.15 Notwithstanding other law to the contrary in fiscal years 2017 and 2018, the
 148.16 commissioner of education must use existing budgetary resources to identify and remove
 148.17 25 percent of the paperwork burden on Minnesota special education teachers that results
 148.18 from state but not federally mandated special education compliance reporting requirements.

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

148.20 Sec. 17. **APPROPRIATION CANCELED.**

148.21 \$1,686,000 on June 30, 2016, is transferred from the information and
 148.22 telecommunications technology systems and services account under Minnesota Statutes,
 148.23 section 16E.21, to the general fund. This represents the amount the Department of
 148.24 Education transferred to that account in fiscal year 2015 after determining that the special
 148.25 education paperwork reduction activities authorized in an appropriation under Laws 2013,
 148.26 chapter 116, article 5, section 31, subdivision 8, were not feasible based on a onetime
 148.27 appropriation.

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

148.29 **ARTICLE 11**
 148.30 **FACILITIES AND TECHNOLOGY**

148.31 Section 1. Minnesota Statutes 2015 Supplement, section 123B.53, subdivision 1, is
 148.32 amended to read:

149.1 Subdivision 1. **Definitions.** (a) For purposes of this section, the eligible debt service
149.2 revenue of a district is defined as follows:

149.3 (1) the amount needed to produce between five and six percent in excess of the
149.4 amount needed to meet when due the principal and interest payments on the obligations
149.5 of the district for eligible projects according to subdivision 2, including the amounts
149.6 necessary for repayment of ~~energy loans according to section 216C.37 or sections 298.292~~
149.7 ~~to 298.298~~, debt service loans, capital loans, and lease purchase payments under section
149.8 126C.40, subdivision 2, excluding long-term facilities maintenance levies under section
149.9 123B.595, minus

149.10 (2) the amount of debt service excess levy reduction for that school year calculated
149.11 according to the procedure established by the commissioner.

149.12 (b) The obligations in this paragraph are excluded from eligible debt service revenue:

149.13 (1) obligations under section 123B.61;

149.14 (2) the part of debt service principal and interest paid from the taconite environmental
149.15 protection fund or Douglas J. Johnson economic protection trust, excluding the portion of
149.16 taconite payments from the Iron Range school consolidation and cooperatively operated
149.17 school account under section 298.28, subdivision 7a;

149.18 (3) obligations issued under Laws 1991, chapter 265, article 5, section 18, as
149.19 amended by Laws 1992, chapter 499, article 5, section 24;

149.20 (4) obligations under section 123B.62; and

149.21 (5) obligations equalized under section 123B.535.

149.22 (c) For purposes of this section, if a preexisting school district reorganized under
149.23 sections 123A.35 to 123A.43, 123A.46, and 123A.48 is solely responsible for retirement
149.24 of the preexisting district's bonded indebtedness, capital loans or debt service loans, debt
149.25 service equalization aid must be computed separately for each of the preexisting districts.

149.26 (d) For purposes of this section, the adjusted net tax capacity determined according
149.27 to sections 127A.48 and 273.1325 shall be adjusted to include the tax capacity of property
149.28 generally exempted from ad valorem taxes under section 272.02, subdivision 64.

149.29 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
149.30 later.

149.31 Sec. 2. Minnesota Statutes 2014, section 123B.571, subdivision 2, is amended to read:

149.32 Subd. 2. **Radon testing.** A school district may include radon testing as a part of
149.33 its ~~health and safety~~ ten-year facility plan under section 123B.595, subdivision 4. If a
149.34 school district receives authority to use ~~health and safety~~ long-term facilities maintenance

150.1 revenue to conduct radon testing, the district shall conduct the testing according to the
150.2 radon testing plan developed by the commissioners of health and education.

150.3 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
150.4 later.

150.5 Sec. 3. Minnesota Statutes 2015 Supplement, section 123B.595, subdivision 4, is
150.6 amended to read:

150.7 Subd. 4. **Facilities plans.** (a) To qualify for revenue under this section, a school
150.8 district or intermediate district, not including a charter school, must have a ten-year facility
150.9 plan adopted by the school board and approved by the commissioner. The plan must include
150.10 provisions for implementing a health and safety program that complies with health, safety,
150.11 and environmental regulations and best practices, including indoor air quality management.

150.12 (b) The district must annually update the plan, ~~biennially~~ submit a facility
150.13 ~~maintenance~~ the plan to the commissioner for approval by July 31, and indicate whether
150.14 the district will issue bonds to finance the plan or levy for the costs.

150.15 (c) For school districts issuing bonds to finance the plan, the plan must include a
150.16 debt service schedule demonstrating that the debt service revenue required to pay the
150.17 principal and interest on the bonds each year will not exceed the projected long-term
150.18 facilities revenue for that year.

150.19 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
150.20 later.

150.21 Sec. 4. Minnesota Statutes 2015 Supplement, section 123B.595, subdivision 7, is
150.22 amended to read:

150.23 Subd. 7. **Long-term facilities maintenance equalization revenue.** (a) For fiscal
150.24 year 2017 only, a district's long-term facilities maintenance equalization revenue equals
150.25 the lesser of (1) \$193 times the adjusted pupil units or (2) the district's revenue under
150.26 subdivision 1.

150.27 (b) For fiscal year 2018 only, a district's long-term facilities maintenance
150.28 equalization revenue equals the lesser of (1) \$292 times the adjusted pupil units or (2)
150.29 the district's revenue under subdivision 1.

150.30 (c) For fiscal year 2019 and later, a district's long-term facilities maintenance
150.31 equalization revenue equals the lesser of (1) \$380 times the adjusted pupil units or (2)
150.32 the district's revenue under subdivision 1.

151.1 (d) Notwithstanding paragraphs (a) to (c), a district's long-term facilities maintenance
151.2 equalization revenue must not be less than the lesser of the district's long-term facilities
151.3 maintenance revenue or the amount of aid the district received for fiscal year 2015 under
151.4 section 123B.59, subdivision 6.

151.5 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
151.6 later.

151.7 Sec. 5. Minnesota Statutes 2015 Supplement, section 123B.595, subdivision 8, is
151.8 amended to read:

151.9 Subd. 8. **Long-term facilities maintenance equalized levy.** (a) For fiscal year 2017
151.10 and later, a district's long-term facilities maintenance equalized levy equals the district's
151.11 long-term facilities maintenance equalization revenue minus the greater of:

151.12 (1) the lesser of the district's long-term facilities maintenance equalization revenue
151.13 or the amount of aid the district received for fiscal year 2015 under Minnesota Statutes
151.14 2014, section 123B.59, subdivision 6; or

151.15 (2) the district's long-term facilities maintenance equalization revenue times the
151.16 greater of (i) zero or (ii) one minus the ratio of its adjusted net tax capacity per adjusted
151.17 pupil unit in the year preceding the year the levy is certified to 123 percent of the state
151.18 average adjusted net tax capacity per adjusted pupil unit for all school districts in the
151.19 year preceding the year the levy is certified.

151.20 (b) For purposes of this subdivision, "adjusted net tax capacity" means the value
151.21 described in section 126C.01, subdivision 2, paragraph (b).

151.22 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
151.23 later.

151.24 Sec. 6. Minnesota Statutes 2015 Supplement, section 123B.595, is amended by adding
151.25 a subdivision to read:

151.26 Subd. 8a. **Long-term facilities maintenance unequalized levy.** For fiscal year
151.27 2017 and later, a district's long-term facilities maintenance unequalized levy equals the
151.28 difference between the district's revenue under subdivision 1 and the district's equalization
151.29 revenue under subdivision 7.

151.30 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
151.31 later.

152.1 Sec. 7. Minnesota Statutes 2015 Supplement, section 123B.595, subdivision 9, is
152.2 amended to read:

152.3 Subd. 9. **Long-term facilities maintenance equalized aid.** For fiscal year 2017
152.4 and later, a district's long-term facilities maintenance equalized aid equals its long-term
152.5 facilities maintenance equalization revenue minus its long-term facilities maintenance
152.6 equalized levy times the ratio of the actual equalized amount levied to the permitted
152.7 equalized levy.

152.8 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
152.9 later.

152.10 Sec. 8. Minnesota Statutes 2015 Supplement, section 123B.595, subdivision 10,
152.11 is amended to read:

152.12 Subd. 10. **Allowed uses for long-term facilities maintenance revenue.** (a) A
152.13 district may use revenue under this section for any of the following:

152.14 (1) deferred capital expenditures and maintenance projects necessary to prevent
152.15 further erosion of facilities;

152.16 (2) increasing accessibility of school facilities; ~~or~~

152.17 (3) health and safety capital projects under section 123B.57; or

152.18 (4) by board resolution, to transfer money from the general fund reserve for long-term
152.19 facilities maintenance to the debt redemption fund to pay the amounts needed to meet,
152.20 when due, principal and interest on general obligation bonds issued under subdivision 5.

152.21 (b) A charter school may use revenue under this section for any purpose related
152.22 to the school.

152.23 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
152.24 later.

152.25 Sec. 9. Minnesota Statutes 2015 Supplement, section 123B.595, subdivision 11,
152.26 is amended to read:

152.27 Subd. 11. **Restrictions on long-term facilities maintenance revenue.**

152.28 Notwithstanding subdivision ~~11~~ 10, long-term facilities maintenance revenue may not
152.29 be used:

152.30 (1) for the construction of new facilities, remodeling of existing facilities, or the
152.31 purchase of portable classrooms;

152.32 (2) to finance a lease purchase agreement, installment purchase agreement, or other
152.33 deferred payments agreement;

153.1 (3) for energy-efficiency projects under section 123B.65, for a building or property
 153.2 or part of a building or property used for postsecondary instruction or administration, or
 153.3 for a purpose unrelated to elementary and secondary education; or

153.4 (4) for violence prevention and facility security, ergonomics, or emergency
 153.5 communication devices.

153.6 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
 153.7 later.

153.8 Sec. 10. Minnesota Statutes 2014, section 123B.60, subdivision 1, is amended to read:

153.9 Subdivision 1. **Bonds.** When a building owned by a district is substantially damaged
 153.10 by an act of God or other means beyond the control of the district, the district may issue
 153.11 general obligation bonds without an election to provide money immediately to carry
 153.12 out its adopted ~~health and safety~~ long-term facilities maintenance program. Each year
 153.13 the district must pledge an attributable share of its ~~health and safety~~ long-term facilities
 153.14 maintenance revenue to the repayment of principal and interest on the bonds. The pledged
 153.15 revenue must be ~~transferred to~~ recognized in the debt redemption fund of the district. The
 153.16 district must submit to the department the repayment schedule for any bonds issued under
 153.17 this section. The district must deposit in the debt redemption fund all proceeds received
 153.18 for specific costs for which the bonds were issued, including but not limited to:

153.19 (1) insurance proceeds;

153.20 (2) restitution proceeds; and

153.21 (3) proceeds of litigation or settlement of a lawsuit.

153.22 Before bonds are issued, the district must submit ~~a combined~~ an amended
 153.23 application to the commissioner for ~~health and safety~~ long-term facilities maintenance
 153.24 revenue, according to section ~~123B.57, and requesting review and comment, according~~
 153.25 ~~to section 123B.71, subdivisions 8, 9, 11, and 12~~ 123B.595. The commissioner shall
 153.26 complete all procedures concerning the combined application within 20 days of receiving
 153.27 the application. The publication provisions of section 123B.71, subdivision 12, do not
 153.28 apply to bonds issued under this section.

153.29 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
 153.30 later.

153.31 Sec. 11. Minnesota Statutes 2014, section 123B.71, subdivision 8, is amended to read:

153.32 Subd. 8. **Review and comment.** A school district, a special education cooperative,
 153.33 or a cooperative unit of government, as defined in section 123A.24, subdivision 2,

154.1 must not initiate an installment contract for purchase or a lease agreement, hold a
 154.2 referendum for bonds, nor solicit bids for new construction, expansion, or remodeling of
 154.3 an educational facility that requires an expenditure in excess of \$500,000 per school site if
 154.4 it has a capital loan outstanding, or \$2,000,000 per school site if it does not have a capital
 154.5 loan outstanding, prior to review and comment by the commissioner. A facility addition,
 154.6 maintenance project, or remodeling project funded only with general education revenue,
 154.7 ~~deferred maintenance revenue, alternative facilities bonding and levy program revenue,~~
 154.8 lease levy proceeds, capital facilities bond proceeds, or ~~health and safety long-term~~
 154.9 facilities maintenance revenue is exempt from this provision. A capital project under
 154.10 section 123B.63 addressing only technology is exempt from this provision if the district
 154.11 submits a school board resolution stating that funds approved by the voters will be used
 154.12 only as authorized in section 126C.10, subdivision 14. A school board shall not separate
 154.13 portions of a single project into components to avoid the requirements of this subdivision.

154.14 **EFFECTIVE DATE.** This section is effective the day following final enactment
 154.15 and applies to review and comments for projects funded with revenue for fiscal year
 154.16 2017 and later.

154.17 Sec. 12. Minnesota Statutes 2014, section 123B.79, subdivision 5, is amended to read:

154.18 Subd. 5. **Deficits; exception.** For the purposes of this section, a permanent transfer
 154.19 includes creating a deficit in a nonoperating fund for a period past the end of the current
 154.20 fiscal year which is covered by moneys in an operating fund. ~~However,~~ A deficit in the
 154.21 ~~capital expenditure fund~~ reserve for operating capital account pursuant to section 123B.78,
 154.22 subdivision 5, does not constitute a permanent transfer.

154.23 Sec. 13. Minnesota Statutes 2014, section 123B.79, subdivision 8, is amended to read:

154.24 Subd. 8. **Account transfer for reorganizing districts.** A district that has
 154.25 reorganized according to sections 123A.35 to 123A.43, 123A.46, or 123A.48, or has
 154.26 conducted a successful referendum on the question of combination under section
 154.27 123A.37, subdivision 2, or consolidation under section 123A.48, subdivision 15, or has
 154.28 been assigned an identification number by the commissioner under section 123A.48,
 154.29 subdivision 16, may make permanent transfers between any of the funds or accounts in
 154.30 the newly created or enlarged district with the exception of the debt redemption fund,
 154.31 building construction fund, food service fund, and ~~health and safety long-term facilities~~
 154.32 maintenance account of the ~~capital expenditure~~ general fund. Fund transfers under this
 154.33 section may be made for up to one year prior to the effective date of combination or
 154.34 consolidation by the consolidating boards and during the year following the effective date

155.1 of reorganization by the consolidated board. The newly formed board of the combined
 155.2 district may adopt a resolution on or before August 30 of the year of the reorganization
 155.3 authorizing a transfer among accounts or funds of the previous independent school
 155.4 districts which transfer or transfers shall be reported in the affected districts' audited
 155.5 financial statements for the year immediately preceding the consolidation.

155.6 **EFFECTIVE DATE.** This section is effective July 1, 2016, for fiscal year 2017
 155.7 and later.

155.8 Sec. 14. Minnesota Statutes 2014, section 123B.79, subdivision 9, is amended to read:

155.9 Subd. 9. **Elimination of reserve accounts.** ~~A school board shall eliminate all~~
 155.10 ~~reserve accounts established in the school district's general fund under Minnesota Statutes~~
 155.11 ~~before July 1, 2006, for which no specific authority remains in statute as of June 30, 2007.~~
 155.12 Any balance in the district's reserved for bus purchases account for deferred maintenance
 155.13 as of June 30, 2007 2016, shall be transferred to the reserved account for ~~operating capital~~
 155.14 long-term facilities maintenance in the school district's general fund. ~~Any balance in~~
 155.15 ~~other reserved accounts established in the school district's general fund under Minnesota~~
 155.16 ~~Statutes before July 1, 2006, for which no specific authority remains in statute as of June~~
 155.17 ~~30, 2007, shall be transferred to the school district's unreserved general fund balance.~~
 155.18 ~~A school board may, upon adoption of a resolution by the school board, establish a~~
 155.19 ~~designated account for any program for which a reserved account has been eliminated.~~
 155.20 Any balance in the district's reserved account for health and safety as of June 30, 2019,
 155.21 shall be transferred to the unassigned fund balance account in the district's general fund.
 155.22 Any balance in the district's reserved account for alternative facilities as of June 30, 2016,
 155.23 shall be transferred to the reserved account for long-term facilities maintenance in the
 155.24 district's building construction fund.

155.25 **EFFECTIVE DATE.** This section is effective July 1, 2016, for fiscal year 2017
 155.26 and later.

155.27 Sec. 15. Minnesota Statutes 2014, section 126C.40, subdivision 5, is amended to read:

155.28 Subd. 5. **Energy conservation.** ~~For loans approved before March 1, 1998, the~~
 155.29 ~~district may annually include as revenue under section 123B.53, without the approval of a~~
 155.30 ~~majority of the voters in the district, an amount sufficient to repay the annual principal and~~
 155.31 ~~interest of the loan made pursuant to sections 216C.37 and 298.292 to 298.298. For energy~~
 155.32 ~~loans approved after March 1, 1998, under sections 216C.37 and 298.292 to 298.298,~~

156.1 school districts must annually transfer from the general fund to the debt redemption fund
156.2 the amount sufficient to pay interest and principal on the loans.

156.3 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
156.4 later.

156.5 Sec. 16. Minnesota Statutes 2015 Supplement, section 126C.48, subdivision 8, is
156.6 amended to read:

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

156.9 (2) Notwithstanding any other law to the contrary, districts that have revenue
156.10 pursuant to sections 298.018; 298.225; 298.24 to 298.28, except an amount distributed
156.11 under sections 298.26; 298.28, subdivision 4, paragraphs (c), clause (ii), and (d); 298.34 to
156.12 298.39; 298.391 to 298.396; 298.405; 477A.15; and any law imposing a tax upon severed
156.13 mineral values must reduce the levies authorized by this chapter and chapters 120B, 122A,
156.14 123A, 123B, 124A, 124D, 125A, and 127A, excluding the student achievement levy
156.15 under section 126C.13, subdivision 3b, by 95 percent of the sum of the previous year's
156.16 revenue specified under this clause and the amount attributable to the same production
156.17 year distributed to the cities and townships within the school district under section 298.28,
156.18 subdivision 2, paragraph (c).

156.19 (3) The amount of any voter approved referendum, facilities down payment, and
156.20 debt levies shall not be reduced by more than 50 percent under this subdivision, except
156.21 that payments under section 298.28, subdivision 7a, may reduce the debt service levy by
156.22 more than 50 percent. In administering this paragraph, the commissioner shall first reduce
156.23 the nonvoter approved levies of a district; then, if any payments, severed mineral value
156.24 tax revenue or recognized revenue under paragraph (2) remains, the commissioner shall
156.25 reduce any voter approved referendum levies authorized under section 126C.17; then, if
156.26 any payments, severed mineral value tax revenue or recognized revenue under paragraph
156.27 (2) remains, the commissioner shall reduce any voter approved facilities down payment
156.28 levies authorized under section 123B.63 and then, if any payments, severed mineral value
156.29 tax revenue or recognized revenue under paragraph (2) remains, the commissioner shall
156.30 reduce any voter approved debt levies.

156.31 (4) Before computing the reduction pursuant to this subdivision of the ~~health and~~
156.32 ~~safety~~ long-term facilities maintenance levy authorized by sections 123B.57 and 126C.40,
156.33 ~~subdivision 5~~ section 123B.595, the commissioner shall ascertain from each affected
156.34 school district the amount it proposes to levy ~~under each section or subdivision.~~ The
156.35 reduction shall be computed on the basis of the amount so ascertained.

157.1 (5) To the extent the levy reduction calculated under paragraph (2) exceeds the
157.2 limitation in paragraph (3), an amount equal to the excess must be distributed from the
157.3 school district's distribution under sections 298.225, 298.28, and 477A.15 in the following
157.4 year to the cities and townships within the school district in the proportion that their
157.5 taxable net tax capacity within the school district bears to the taxable net tax capacity of
157.6 the school district for property taxes payable in the year prior to distribution. No city or
157.7 township shall receive a distribution greater than its levy for taxes payable in the year prior
157.8 to distribution. The commissioner of revenue shall certify the distributions of cities and
157.9 towns under this paragraph to the county auditor by September 30 of the year preceding
157.10 distribution. The county auditor shall reduce the proposed and final levies of cities and
157.11 towns receiving distributions by the amount of their distribution. Distributions to the cities
157.12 and towns shall be made at the times provided under section 298.27.

157.13 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
157.14 later.

157.15 Sec. 17. Minnesota Statutes 2014, section 126C.63, subdivision 7, is amended to read:

157.16 Subd. 7. **Required debt service levy.** "Required debt service levy" means the total
157.17 dollar amount needed to be included in the taxes levied by the district in any year for
157.18 payment of interest and principal falling due on its debts prior to collection of the next
157.19 ensuing year's debt service levy, excluding the debt service levy for obligations under
157.20 sections 123B.595, 123B.61, and 123B.62.

157.21 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
157.22 later.

157.23 Sec. 18. Laws 2011, First Special Session chapter 11, article 4, section 8, is amended to
157.24 read:

157.25 Sec. 8. **EARLY REPAYMENT.**

157.26 (a) A school district that received a maximum effort capital loan prior to January
157.27 1, 1997, may repay the full outstanding original principal on its capital loan prior to
157.28 July 1, 2012, and the liability of the district on the loan is satisfied and discharged and
157.29 interest on the loan ceases.

157.30 (b) A school district with an outstanding capital loan balance that received a
157.31 maximum effort capital loan prior to January 1, 2007, may repay to the commissioner of
157.32 education by November 30, 2016, the full outstanding original principal on its capital

158.1 loan and the liability of the district on the loan is satisfied and discharged and interest
158.2 on the loan ceases.

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

158.4 Sec. 19. **INTERNET BROADBAND EXPANSION FOR STUDENTS;**
158.5 **INNOVATIVE GRANTS.**

158.6 Subdivision 1. **Broadband Wi-Fi hot spots.** (a) A school district is eligible for a
158.7 broadband hot spot grant not to exceed \$100,000 to support wireless off-campus learning
158.8 through a student's use of a data card, USB modem, or other mobile broadband device
158.9 that enables the student to access learning materials available on the Internet through a
158.10 mobile broadband connection. A district's application for a grant under this subdivision
158.11 must describe its approach for identifying and prioritizing access for low-income students
158.12 and others otherwise unable to access the Internet and may include a description of
158.13 local or private matching grants or in-kind contributions. When evaluating applications,
158.14 the commissioner may give priority to grant applications that include local in-kind
158.15 contributions.

158.16 (b) A school district may develop its application in cooperation with its community
158.17 education department, its adult basic education program provider, a public library, or other
158.18 community partner. A cooperative grant award under this paragraph may not exceed
158.19 \$200,000.

158.20 (c) A school district that qualifies for general education transportation sparsity
158.21 revenue under Minnesota Statutes, section 126C.10, may apply to the commissioner of
158.22 education for a school bus Internet access grant as a part of its grant application under
158.23 paragraph (a). The commissioner of education must prioritize grants to districts with the
158.24 longest bus routes. A school district that receives a grant under this subdivision may use
158.25 the grant to purchase or lease equipment designed to make Internet access available on
158.26 school buses, including routers and mobile Wi-Fi hot spots to connect to the Internet, and
158.27 may also purchase or lease one-to-one devices for students. The one-to-one devices may
158.28 be connected to the Internet through the Wi-Fi hot spot or otherwise contain content
158.29 for age-appropriate, self-directed learning.

158.30 Subd. 2. **Capacity-building grants.** A school district that is a member of
158.31 a telecommunications access cluster may submit an application approved by its
158.32 telecommunications access cluster to the commissioner of education for a broadband
158.33 access grant. The grant application may include a description of local or private matching
158.34 grants or in-kind contributions. When evaluating applications, the commissioner may give

159.1 priority to grant applications that include local in-kind contributions. The maximum
159.2 amount of each grant may not exceed \$100,000. The grant may be used in any manner and
159.3 with any community partners that allow the school district to expand telecommunications
159.4 access to its students, teachers, and community members.

159.5 Subd. 3. **Internet access for students.** Consistent with Minnesota Statutes, section
159.6 125B.15, all grant applications submitted under this section must demonstrate to the
159.7 commissioner's satisfaction that the Internet access provided through the grant proceeds
159.8 will include filtering technology or other effective methods to limit student access to
159.9 material that is reasonably believed to be obscene, child pornography, or material harmful
159.10 to minors under federal or state law.

159.11 Sec. 20. **APPROPRIATIONS.**

159.12 Subdivision 1. **Department of Education.** The sums indicated in this section are
159.13 appropriated from the general fund to the commissioner of education for the fiscal years
159.14 designated.

159.15 Subd. 2. **Broadband expansion grants.** For broadband expansion grants:

159.16 \$ 7,000,000 2017

159.17 Of this amount, \$5,000,000 is for broadband Wi-Fi hot spots under section 19,
159.18 subdivision 1, and \$2,000,000 is for capacity-building grants under section 19, subdivision
159.19 2. This is a onetime appropriation. This appropriation is available until June 30, 2019.

159.20 Sec. 21. **REPEALER.**

159.21 Minnesota Statutes 2014, sections 123B.60, subdivision 2; and 123B.79,
159.22 subdivisions 2 and 6, are repealed for fiscal year 2017 and later.

159.23 **ARTICLE 12**

159.24 **EARLY CHILDHOOD EDUCATION**

159.25 Section 1. **[124D.1295] EARLY LEARNING PROGRAM COORDINATION.**

159.26 Subdivision 1. **Early learning program coordination.** A school board, after
159.27 receiving written comments from its early childhood advisory council or its community
159.28 education council, may adopt a resolution allowing the district to offer an integrated early
159.29 learning program. An integrated early learning program may provide for early childhood
159.30 family education services, school readiness services, and other early learning programs
159.31 providing services to parents and children. A school district's integrated early learning

160.1 program must continue to contain components of parent education, opportunities for early
160.2 learning activities for families with young children, and school readiness activities.

160.3 Subd. 2. **Early learning program revenue sources.** A school district's early
160.4 learning program revenue includes its early childhood family education revenue under
160.5 section 124D.135, school readiness program revenue under section 124D.16, and any
160.6 other revenues set aside for early learning activities.

160.7 Subd. 3. **Reserve account.** A district that offers an integrated early learning
160.8 program must place all of the revenue it receives under subdivision 2 in an early learning
160.9 program reserve account established in the community service fund.

160.10 **EFFECTIVE DATE.** This section is effective for fiscal year 2017 and later.

160.11 Sec. 2. Minnesota Statutes 2014, section 124D.13, subdivision 1, is amended to read:

160.12 Subdivision 1. **Establishment; purpose.** A district that provides a community
160.13 education program under sections 124D.18 and 124D.19 may establish an early childhood
160.14 family education program as an individual program or as a part of an early learning
160.15 program under section 124D.1295. Two or more districts, each of which provides a
160.16 community education program, may cooperate to jointly provide an early childhood
160.17 family education program. The purpose of the early childhood family education program
160.18 is to provide parenting education to support children's learning and development.

160.19 **EFFECTIVE DATE.** This section is effective July 1, 2016.

160.20 Sec. 3. Minnesota Statutes 2014, section 124D.13, subdivision 5, is amended to read:

160.21 Subd. 5. **Separate accounts.** The A district operating an early childhood family
160.22 education program independent of an early learning program under section 124D.1295
160.23 must maintain a separate account within the community education fund for money for
160.24 early childhood family education programs.

160.25 **EFFECTIVE DATE.** This section is effective for fiscal year 2017 and later.

160.26 Sec. 4. Minnesota Statutes 2014, section 124D.13, subdivision 9, is amended to read:

160.27 Subd. 9. **District advisory councils.** The board must appoint an advisory council
160.28 from the area in which the program is provided. A majority of the council must be parents
160.29 participating in the program, who represent the demographics of the community. The
160.30 district must ensure, to the extent possible, that the council includes representation of
160.31 families who are racially, culturally, linguistically, and economically diverse. The council
160.32 must assist the board in developing, planning, and monitoring the early childhood family

161.1 education program and the early learning program under section 124D.1295. The council
161.2 must report to the board and the community education advisory council.

161.3 **EFFECTIVE DATE.** This section is effective July 1, 2016.

161.4 Sec. 5. Minnesota Statutes 2014, section 124D.135, subdivision 5, is amended to read:

161.5 Subd. 5. **Use of revenue restricted.** (a) Early childhood family education revenue
161.6 may be used only for early learning programs, including early childhood family education
161.7 programs.

161.8 (b) Not more than five percent of early childhood family education revenue, as defined
161.9 in subdivision 7, may be used to administer early childhood family education programs.

161.10 (c) An early childhood family education program may use up to ten percent of its
161.11 early childhood family education revenue as defined in subdivision 1, including revenue
161.12 from participant fees, for equipment that is used in the early childhood family education
161.13 program. This revenue may only be used for the following purposes:

161.14 (1) to purchase or lease computers and related materials; and

161.15 (2) to purchase or lease equipment for instruction for participating children and
161.16 their families.

161.17 If a district anticipates an unusual circumstance requiring its early childhood family
161.18 education program capital expenditures to exceed the ten percent limitation, prior approval
161.19 to exceed the limit must be obtained in writing from the commissioner.

161.20 **EFFECTIVE DATE.** This section is effective for fiscal year 2017 and later.

161.21 Sec. 6. Minnesota Statutes 2014, section 124D.135, subdivision 7, is amended to read:

161.22 Subd. 7. **Reserve account.** Early childhood family education revenue, which
161.23 includes aids, levies, fees, grants, and all other revenues received by the district for early
161.24 childhood family education programs, must be maintained in either an early learning
161.25 program reserve account or a separate early childhood family education reserve account
161.26 within the community service fund.

161.27 **EFFECTIVE DATE.** This section is effective for fiscal year 2017 and later.

161.28 Sec. 7. Minnesota Statutes 2014, section 124D.15, subdivision 1, is amended to read:

161.29 Subdivision 1. **Establishment; purpose.** A district, charter school, or a group of
161.30 districts or charter schools may establish a school readiness program for children age
161.31 three to kindergarten entrance. The purpose of a school readiness program is to prepare
161.32 children to enter kindergarten.

162.1 Sec. 8. Minnesota Statutes 2014, section 124D.15, subdivision 3a, is amended to read:

162.2 Subd. 3a. **Application and reporting requirements.** (a) A school readiness
162.3 program provider must submit a biennial plan for approval by the commissioner before
162.4 receiving aid under section 124D.16. The plan must describe how the program meets the
162.5 program requirements under subdivision 3. A school district ~~by April 1~~ or charter school
162.6 must submit the plan for approval by the commissioner in the form and manner and by the
162.7 date prescribed by the commissioner. ~~One-half the districts must first submit the plan by~~
162.8 ~~April 1, 2006, and one-half the districts must first submit the plan by April 1, 2007, as~~
162.9 ~~determined by the commissioner.~~

162.10 (b) Programs receiving school readiness funds annually must submit a report to
162.11 the department.

162.12 Sec. 9. Minnesota Statutes 2015 Supplement, section 124D.16, subdivision 2, is
162.13 amended to read:

162.14 Subd. 2. **Amount of aid.** (a) A district or charter school is eligible to receive school
162.15 readiness aid for eligible prekindergarten pupils enrolled in a school readiness program
162.16 under section 124D.15 if the biennial plan required by section 124D.15, subdivision 3a,
162.17 has been approved by the commissioner.

162.18 (b) A school district must receive school readiness aid equal to:

162.19 (1) the number of four-year-old children in the district on October 1 for the previous
162.20 school year times the ratio of 50 percent of the total school readiness aid for that year to
162.21 the total number of four-year-old children reported to the commissioner for the previous
162.22 school year; plus

162.23 (2) the number of pupils enrolled in the school district from families eligible for the
162.24 free or reduced-price school lunch program for the previous school year times the ratio
162.25 of 50 percent of the total school readiness aid for that year to the total number of pupils
162.26 in the state from families eligible for the free or reduced-price school lunch program for
162.27 the previous school year.

162.28 (c) The total school readiness aid entitlement equals \$23,558,000 for fiscal year 2016
162.29 and \$33,683,000 for fiscal year 2017 and later.

162.30 (d) If the aid entitlement in paragraph (c) is increased above \$33,683,000 for any
162.31 year, the commissioner must calculate the school readiness aid entitlement for charter
162.32 schools equal to the aid entitlement in the current year less \$33,683,000. A charter
162.33 school's school readiness aid equals:

162.34 (1) the number of kindergarten pupils enrolled in the charter school on October 1 for
162.35 the previous school year times the ratio of 50 percent of the total charter school readiness

163.1 aid for that year to the total number of charter school kindergarten pupils reported to the
163.2 commissioner for the previous school year; plus

163.3 (2) the number of pupils enrolled in the charter school from families eligible for the
163.4 free or reduced-price school lunch program for the previous school year times the ratio
163.5 of 50 percent of the total charter school readiness aid for that year to the total number of
163.6 pupils in all charter schools from families eligible for the free or reduced-price school
163.7 lunch program for the previous school year.

163.8 (e) If the aid entitlement under paragraph (c) is increased above \$36,683,000, the
163.9 commissioner must combine the counts for school districts and charter schools under
163.10 paragraphs (b) and (c) and compute aid amounts accordingly.

163.11 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2018
163.12 and later.

163.13 Sec. 10. Minnesota Statutes 2014, section 124D.16, subdivision 3, is amended to read:

163.14 Subd. 3. **Use of aid.** School readiness aid shall be used only to provide a school
163.15 readiness program or an early learning program and may be used to provide transportation.
163.16 Not more than five percent of program revenue, as defined in subdivision 5, may be used
163.17 for the cost of administering the program. Aid must be used to supplement and not supplant
163.18 local, state, and federal funding. Aid may not be used for instruction and services required
163.19 under sections 125A.03 to 125A.24 and 125A.65. Aid may not be used to purchase land
163.20 or construct buildings, but may be used to lease or renovate existing buildings.

163.21 **EFFECTIVE DATE.** This section is effective for fiscal year 2017 and later.

163.22 Sec. 11. Minnesota Statutes 2014, section 124D.16, subdivision 5, is amended to read:

163.23 Subd. 5. **Reserve account.** School readiness revenue, which includes aids, fees,
163.24 grants, and all other revenues received by the district school readiness programs, must
163.25 be maintained in either an early learning program reserve account or a school readiness
163.26 reserve account within the community service fund.

163.27 **EFFECTIVE DATE.** This section is effective for fiscal year 2017 and later.

163.28 Sec. 12. Minnesota Statutes 2014, section 124D.165, as amended by Laws 2015, First
163.29 Special Session chapter 3, article 9, section 6, is amended to read:

163.30 **124D.165 EARLY LEARNING SCHOLARSHIPS.**

164.1 Subdivision 1. **Establishment; purpose.** There is established an early learning
164.2 scholarships program in order to increase access to high-quality early childhood programs
164.3 for children ages three to five.

164.4 Subd. 2. **Family eligibility.** (a) For a family to receive an early learning scholarship,
164.5 parents or guardians must meet the following eligibility requirements:

164.6 (1) have a child three or four years of age on September 1 of the current school year,
164.7 who has not yet started kindergarten; and

164.8 (2) have income equal to or less than 185 percent of federal poverty level income
164.9 in the current calendar year, or be able to document their child's current participation in
164.10 the free and reduced-price lunch program or child and adult care food program, National
164.11 School Lunch Act, United States Code, title 42, sections 1751 and 1766; the Food
164.12 Distribution Program on Indian Reservations, Food and Nutrition Act, United States
164.13 Code, title 7, sections 2011-2036; Head Start under the federal Improving Head Start for
164.14 School Readiness Act of 2007; Minnesota family investment program under chapter 256J;
164.15 child care assistance programs under chapter 119B; the supplemental nutrition assistance
164.16 program; or placement in foster care under section 260C.212.

164.17 (b) Notwithstanding the other provisions of this section, a child from birth to age five
164.18 and not yet enrolled in kindergarten is eligible for an early learning scholarship if the child's
164.19 family meets the income eligibility standard established in paragraph (a), clause (2), and:

164.20 (1) the child's parent is under age 21 who and is pursuing a high school or general
164.21 education equivalency diploma is eligible for an early learning scholarship if the parent
164.22 has a child age zero to five years old and meets the income eligibility guidelines in this
164.23 subdivision;

164.24 (2) the child is in foster care or otherwise a child in need of protection or services; or

164.25 (3) the child's family has experienced homelessness in the last 24 months.

164.26 (c) Any siblings between the ages zero to five years old of a child who has been
164.27 awarded a scholarship under this section must be awarded a scholarship upon request,
164.28 provided the sibling attends the same program as long as funds are available.

164.29 (d) A child who has received a scholarship under this section must continue to
164.30 receive a scholarship each year until that child is eligible for kindergarten under section
164.31 120A.20 and as long as funds are available.

164.32 (e) Early learning scholarships may not be counted as earned income for the
164.33 purposes of medical assistance under chapter 256B, MinnesotaCare under chapter 256L,
164.34 Minnesota family investment program under chapter 256J, child care assistance programs
164.35 under chapter 119B, or Head Start under the federal Improving Head Start for School
164.36 Readiness Act of 2007.

165.1 (f) A child from an adjoining state whose family resides at a Minnesota address as
 165.2 assigned by the United States Postal Service, who has received developmental screening
 165.3 under sections 121A.16 to 121A.19, who intends to enroll in a Minnesota school district,
 165.4 and whose family meets the criteria of paragraph (a) is eligible for an early learning
 165.5 scholarship under this section.

165.6 Subd. 3. **Administration.** (a) The commissioner shall establish application
 165.7 timelines and determine the schedule for awarding scholarships that meets operational
 165.8 needs of eligible families and programs. The commissioner may prioritize applications
 165.9 on factors including:

165.10 (1) family income;

165.11 (2) geographic location, ~~and~~;

165.12 (3) whether the child's family is on a waiting list for a publicly funded program
 165.13 providing early education or child care services;

165.14 (4) whether the child is in foster care or otherwise a child in need of protection or
 165.15 services; and

165.16 (5) whether the child's family has experienced homelessness in the last 24 months.

165.17 (b) ~~For fiscal years 2014 and 2015 only, scholarships may not exceed \$5,000 per year~~
 165.18 ~~for each eligible child.~~ For fiscal year 2016 and later, the commissioner shall establish
 165.19 a target for the average scholarship amount per child based on the results of the rate
 165.20 survey conducted under section 119B.02. The commissioner may award a scholarship
 165.21 in excess of this amount to a child who qualifies for priority enrollment under paragraph
 165.22 (a), clause (4) or (5).

165.23 (c) A four-star rated program that has children eligible for a scholarship enrolled
 165.24 in or on a waiting list for a program beginning in July, August, or September may notify
 165.25 the commissioner, in the form and manner prescribed by the commissioner, each year of
 165.26 the program's desire to enhance program services ~~or~~ and to serve more children than
 165.27 current funding provides. The commissioner may designate a predetermined number of
 165.28 scholarship slots for that program and notify the program of that number. Beginning July
 165.29 1, 2016, a school district or Head Start program qualifying under this paragraph, a licensed
 165.30 child care center, or a family child care provider may use its established registration
 165.31 process to enroll scholarship recipients and may verify a scholarship recipient's family
 165.32 income in the same manner as for other program participants. Scholarships awarded under
 165.33 this section must be paid to the eligible program provider designated by the award recipient
 165.34 and must be transferred to another eligible program provider at the recipient's request.

165.35 (d) A scholarship is awarded for a 12-month period. If the scholarship recipient has
 165.36 not been accepted and subsequently enrolled in a rated program within ten months of the

166.1 awarding of the scholarship, the scholarship cancels and the recipient must reapply in
166.2 order to be eligible for another scholarship. A child may not be awarded more than one
166.3 scholarship in a 12-month period.

166.4 (e) A child who receives a scholarship who has not completed development
166.5 screening under sections 121A.16 to 121A.19 must complete that screening within 90
166.6 days of first attending an eligible program.

166.7 (f) For fiscal year ~~2017~~ 2018 and later, ~~a school district or Head Start program~~
166.8 ~~enrolling scholarship recipients under paragraph (e) may apply to the commissioner, in~~
166.9 ~~the form and manner prescribed by the commissioner, for direct payment of state aid.~~
166.10 ~~Upon receipt of the application, the commissioner must pay each program directly for~~
166.11 ~~each approved scholarship recipient enrolled under paragraph (e) according to the metered~~
166.12 ~~payment system or another schedule established by the commissioner. the total amount of~~
166.13 ~~funding directly allocated to a program under paragraph (c) must not exceed the amount~~
166.14 ~~directly awarded to that program in fiscal year 2017.~~

166.15 Subd. 4. **Early childhood program eligibility.** (a) In order to be eligible to accept
166.16 an early learning scholarship, a program must:

166.17 (1) participate in the quality rating and improvement system under section
166.18 124D.142; and

166.19 (2) beginning July 1, ~~2016~~ 2020, have a three- or four-star rating in the quality
166.20 rating and improvement system.

166.21 (b) Any program accepting scholarships must use the revenue to supplement and not
166.22 supplant federal funding.

166.23 (c) Notwithstanding paragraph (a), all Minnesota early learning foundation
166.24 scholarship program pilot sites are eligible to accept an early learning scholarship under
166.25 this section.

166.26 (d) Notwithstanding paragraph (a), beginning September 1, 2016, a qualifying newly
166.27 opened program carries the rating of its affiliated program for its first two years of operation.

166.28 (e) For purposes of this subdivision, "qualifying newly opened program" means
166.29 a program in its first two years of operation actively pursuing a rating whose on-site
166.30 director has experience operating a three- or four-star rated program, and "affiliated
166.31 program" means a program with which the newly opened program shares an ownership or
166.32 management interest or is otherwise structurally linked.

166.33 Subd. 5. **Report required.** The commissioner shall contract with an independent
166.34 contractor to evaluate the early learning scholarship program. The evaluation must
166.35 include recommendations regarding the appropriate scholarship amount, efficiency, and
166.36 effectiveness of the administration, and impact on kindergarten readiness. By January

167.1 15, 2016, the commissioner shall submit a written copy of the evaluation to the chairs
 167.2 and ranking minority members of the legislative committees and divisions with primary
 167.3 jurisdiction over kindergarten through grade 12 education.

167.4 **EFFECTIVE DATE.** This section is effective July 1, 2016.

167.5 Sec. 13. Laws 2015, First Special Session chapter 3, article 9, section 8, subdivision 7,
 167.6 is amended to read:

167.7 Subd. 7. **Parent-child home program.** For a grant to the parent-child home
 167.8 program:

167.9	\$	350,000	.....	2016
167.10		350,000		
167.11	\$	<u>2,350,000</u>	.....	2017

167.12 The grant must be used for an evidence-based and research-validated early childhood
 167.13 literacy and school readiness program for children ages 16 months to four years at its
 167.14 existing suburban program location. The program must include urban and rural program
 167.15 locations for fiscal years 2016 and 2017.

167.16 The base appropriation for this program for fiscal year 2018 and later is \$350,000.
 167.17 The 2017 appropriation is available until June 30, 2019.

167.18 To the extent practicable, the parent-child home program is encouraged to expend
 167.19 the fiscal year 2017 appropriation equally over fiscal years 2017, 2018, and 2019.

167.20 Sec. 14. Laws 2015, First Special Session chapter 3, article 9, section 8, subdivision 9,
 167.21 is amended to read:

167.22 Subd. 9. **Quality Rating System.** For transfer to the commissioner of human
 167.23 services for the purposes of expanding the Quality Rating and Improvement System under
 167.24 Minnesota Statutes, section 124D.142, in greater Minnesota and increasing supports for
 167.25 providers participating in the Quality Rating and Improvement System:

167.26	\$	1,200,000	.....	2016
167.27		2,300,000		
167.28	\$	<u>4,300,000</u>	.....	2017

167.29 To the extent possible, the commissioner must direct at least \$2,000,000 of the 2017
 167.30 appropriation toward increasing access and providing training assistance to providers who
 167.31 are located in underserved or low-income neighborhoods.

167.32 Any balance in the first year does not cancel but is available in the second year. The
 167.33 base for this program in fiscal year 2018 and later is \$1,750,000.

167.34 **EFFECTIVE DATE.** This section is effective July 1, 2016.

168.1 Sec. 15. **REPORT ON EARLY CHILDHOOD PROGRAM PROVIDERS.**

168.2 The Department of Education, in coordination with the Department of Human
 168.3 Services, must provide a report to the legislature by February 15, 2017, summarizing
 168.4 available data collected on the demographics of early childhood providers and other early
 168.5 childhood program staff, administrators, and board members.

168.6 Sec. 16. **APPROPRIATION.**

168.7 Subdivision 1. **Department of Education.** The sums indicated in this section are
 168.8 appropriated from the general fund to the commissioner of education for the fiscal year
 168.9 designated.

168.10 Subd. 2. **St. Cloud preschool pilot program.** For a grant to Independent School
 168.11 District No. 742, St. Cloud, to establish a preschool pilot program targeting low-income
 168.12 students and English language learners.

168.13 § 430,000 2017

168.14 Funds appropriated in this section are to be used to create morning and afternoon
 168.15 preschool sections, serving at least 90 students from families with low income or
 168.16 from families where English is not the primary language spoken in the child's home
 168.17 environment. The funds appropriated under this section may be used to purchase
 168.18 developmentally appropriate furniture and materials, instructional materials, and
 168.19 curriculum materials; hire and train teachers and staff; and offset transportation costs.

168.20 Independent School District No. 742, St. Cloud, must submit an annual report by
 168.21 January 15 of 2017, 2018, and 2019, describing the activities undertaken and outcomes
 168.22 achieved with this grant. The 2019 report must contain recommendations for other
 168.23 districts interested in similar prekindergarten programs.

168.24 This is a onetime appropriation. The fiscal year 2017 appropriation is available
 168.25 until June 30, 2019.

168.26 **ARTICLE 13**

168.27 **SELF-SUFFICIENCY AND LIFELONG LEARNING**

168.28 Section 1. Minnesota Statutes 2014, section 124D.52, subdivision 1, is amended to read:

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

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

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

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

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

169.20 Sec. 2. Minnesota Statutes 2014, section 124D.52, subdivision 2, is amended to read:

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

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

169.28 (2) for continuing programs, an evaluation of results;

169.29 (3) anticipated number and education level of participants;

169.30 (4) coordination with other resources and services;

169.31 (5) participation in a consortium, if any, and money available from other participants;

169.32 (6) management and program design;

169.33 (7) volunteer training and use of volunteers;

169.34 (8) staff development services;

169.35 (9) program sites and schedules;

- 170.1 (10) program expenditures that qualify for aid;
- 170.2 (11) program ability to provide data related to learner outcomes as required by
170.3 law; and
- 170.4 (12) a copy of the memorandum of understanding described in subdivision 1
170.5 submitted to the commissioner.
- 170.6 (b) Adult basic education programs may be approved under this subdivision for
170.7 up to five years. Five-year program approval must be granted to an applicant who has
170.8 demonstrated the capacity to:
- 170.9 (1) offer comprehensive learning opportunities and support service choices
170.10 appropriate for and accessible to adults at all basic skill and English language levels of need;
- 170.11 (2) provide a participatory and experiential learning approach based on the strengths,
170.12 interests, and needs of each adult, that enables adults with basic skill needs to:
- 170.13 (i) identify, plan for, and evaluate their own progress toward achieving their defined
170.14 educational and occupational goals;
- 170.15 (ii) master the basic academic reading, writing, and computational skills, as well
170.16 as the problem-solving, decision making, interpersonal effectiveness, and other life and
170.17 learning skills they need to function effectively in a changing society;
- 170.18 (iii) locate and be able to use the health, governmental, and social services and
170.19 resources they need to improve their own and their families' lives; and
- 170.20 (iv) continue their education, if they desire, to at least the level of secondary school
170.21 completion, with the ability to secure and benefit from continuing education that will
170.22 enable them to become more employable, productive, and responsible citizens;
- 170.23 (3) plan, coordinate, and develop cooperative agreements with community resources
170.24 to address the needs that the adults have for support services, such as transportation, English
170.25 language learning, flexible course scheduling, convenient class locations, and child care;
- 170.26 (4) collaborate with business, industry, labor unions, and employment-training
170.27 agencies, as well as with family and occupational education providers, to arrange for
170.28 resources and services through which adults can attain economic self-sufficiency;
- 170.29 (5) provide sensitive and well trained adult education personnel who participate in
170.30 local, regional, and statewide adult basic education staff development events to master
170.31 effective adult learning and teaching techniques;
- 170.32 (6) participate in regional adult basic education peer program reviews and evaluations;
- 170.33 (7) submit accurate and timely performance and fiscal reports;
- 170.34 (8) submit accurate and timely reports related to program outcomes and learner
170.35 follow-up information; and

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

171.3 (c) The commissioner shall require each district to provide notification by February
 171.4 1, 2001, of its intent to apply for funds under this section as a single district or as part of
 171.5 an identified consortium of districts. A district receiving funds under this section must
 171.6 notify the commissioner by February 1 of its intent to change its application status for
 171.7 applications due the following June 1.

171.8 Sec. 3. Minnesota Statutes 2014, section 124D.55, is amended to read:

171.9 **124D.55 GENERAL EDUCATION DEVELOPMENT (GED) TEST FEES.**

171.10 The commissioner shall pay 60 percent of the fee that is charged to an eligible
 171.11 individual for the full battery of a general education development (GED) test tests, but not
 171.12 more than \$40 for an eligible individual.

171.13 For fiscal year 2017 only, the commissioner shall pay 100 percent of the fee charged
 171.14 to an eligible individual for the full battery of general education development (GED) tests,
 171.15 but not more than the cost of one full battery of tests per year for any individual.

171.16 Sec. 4. Laws 2015, First Special Session chapter 3, article 11, section 3, subdivision 3,
 171.17 is amended to read:

171.18 Subd. 3. **GED tests.** For payment of 60 percent of the costs of GED tests under
 171.19 Minnesota Statutes, section 124D.55:

171.20	\$	125,000	.....	2016
171.21		125,000		
171.22	\$	<u>245,000</u>	.....	2017

171.23 The base appropriation for fiscal year 2018 and later is \$125,000.

171.24 Sec. 5. **APPROPRIATIONS.**

171.25 Subdivision 1. **Department of Education.** The sums indicated in this section are
 171.26 appropriated from the general fund to the commissioner of education for the fiscal years
 171.27 designated.

171.28 Subd. 2. **Adult basic education.** For a grant for additional adult basic aid:

171.29	\$	<u>400,000</u>	<u>2017</u>
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171.30 The International Education Center, the American Indian Opportunities
 171.31 Industrialization Center, and the Minnesota Office of Communication Service for the Deaf
 171.32 are eligible for additional adult basic education aid for innovative programs for fiscal year

172.1 2017 only. The onetime aid for each organization equals \$400,000 times the ratio of the
172.2 organization's number of students served for the previous fiscal year to the sum of the
172.3 three organizations' number of students served for the previous fiscal year.

172.4 This is a onetime appropriation.

172.5 **ARTICLE 14**

172.6 **STATE AGENCIES**

172.7 Section 1. Minnesota Statutes 2014, section 122A.14, subdivision 9, is amended to read:

172.8 Subd. 9. **Fee.** Each person licensed by the Board of School Administrators shall pay
172.9 the board a fee of \$75, collected each fiscal year. When transmitting notice of the license
172.10 fee, the board also must notify the licensee of the penalty for failing to pay the fee within
172.11 the time specified by the board. The board may provide a lower fee for persons on retired
172.12 or inactive status. After receiving notice from the board, any licensed school administrator
172.13 who does not pay the fee in the given fiscal year shall have all administrative licenses held
172.14 by the person automatically suspended, without the right to a hearing, until the fee has been
172.15 paid to the board. If the board suspends a licensed school administrator for failing to pay
172.16 the fee, it must immediately notify the district currently employing the school administrator
172.17 of the school administrator's suspension. The executive secretary shall deposit the fees in
172.18 the educator licensure account in the special revenue fund in the state treasury.

172.19 **EFFECTIVE DATE.** This section is effective July 1, 2016.

172.20 Sec. 2. Minnesota Statutes 2014, section 122A.18, subdivision 7c, is amended to read:

172.21 Subd. 7c. **Temporary military license.** The Board of Teaching shall establish
172.22 a temporary license in accordance with section 197.4552 for teaching. The fee for a
172.23 temporary license under this subdivision shall be \$87.90 for an online application or
172.24 \$86.40 for a paper application. The board must deposit the fees received from applicants
172.25 in the educator licensure account in the special revenue fund.

172.26 **EFFECTIVE DATE.** This section is effective July 1, 2016.

172.27 Sec. 3. Minnesota Statutes 2014, section 122A.18, subdivision 8, is amended to read:

172.28 Subd. 8. **Background checks.** (a) The Board of Teaching and the commissioner
172.29 of education must request a criminal history background check from the superintendent
172.30 of the Bureau of Criminal Apprehension on all applicants for initial licenses under their
172.31 jurisdiction. An application for a license under this section must be accompanied by:

172.32 (1) an executed criminal history consent form, including fingerprints; and

173.1 (2) ~~a money order or cashier's check payable to the Bureau of Criminal Apprehension~~
173.2 ~~for the fee for conducting payment to conduct the criminal history background check. The~~
173.3 Board of Teaching and the commissioner of education must deposit payments received
173.4 under this subdivision in the educator licensure background check account in the special
173.5 revenue fund.

173.6 (b) The superintendent of the Bureau of Criminal Apprehension shall perform the
173.7 background check required under paragraph (a) by retrieving criminal history data as
173.8 defined in section 13.87 and shall also conduct a search of the national criminal records
173.9 repository. The superintendent is authorized to exchange fingerprints with the Federal
173.10 Bureau of Investigation for purposes of the criminal history check. The superintendent
173.11 shall recover the cost to the bureau of a background check through the fee charged to
173.12 the applicant under paragraph (a).

173.13 (c) The Board of Teaching or the commissioner of education may issue a license
173.14 pending completion of a background check under this subdivision, but must notify
173.15 the individual that the individual's license may be revoked based on the result of the
173.16 background check.

173.17 **EFFECTIVE DATE.** This section is effective July 1, 2016.

173.18 Sec. 4. **[122A.185] SPECIAL REVENUE FUND ACCOUNTS; EDUCATOR**
173.19 **LICENSURE AND BACKGROUND CHECKS.**

173.20 **Subdivision 1. Educator licensure account.** An educator licensure account is
173.21 created in the special revenue fund. Applicant licensure fees received by the Department
173.22 of Education, the Board of Teaching, or the Board of School Administrators must be
173.23 deposited in the educator licensure account. Any funds appropriated from this account
173.24 that remain unexpended at the end of the biennium cancel to the educator licensure
173.25 account in the special revenue fund.

173.26 **Subd. 2. Background check account.** An educator licensure background check
173.27 account is created in the special revenue fund. The Department of Education, the Board of
173.28 Teaching, and the Board of School Administrators must deposit all payments submitted by
173.29 license applicants for criminal background checks conducted by the Bureau of Criminal
173.30 Apprehension in the educator licensure background check account. Amounts in the
173.31 account are annually appropriated to the commissioner of education for payment to the
173.32 superintendent of the Bureau of Criminal Apprehension for the costs of background
173.33 checks on applicants for licensure.

173.34 **EFFECTIVE DATE.** This section is effective July 1, 2016.

174.1 Sec. 5. Minnesota Statutes 2014, section 122A.21, subdivision 1, is amended to read:

174.2 Subdivision 1. **Licensure applications.** Each applicant submitting an application
174.3 for the issuance, renewal, or extension of to the Board of Teaching to issue, renew, or
174.4 extend a teaching license to teach, including applications for licensure via portfolio under
174.5 subdivision 2, ~~must be accompanied by~~ include a processing fee of \$57. ~~Each application~~
174.6 ~~for issuing, renewing, or extending the license of a school administrator or supervisor~~
174.7 ~~must be accompanied by a processing fee in the amount set by the Board of Teaching.~~ The
174.8 processing fee for a teacher's license and for the licenses of supervisory personnel must
174.9 be paid to the executive secretary of the appropriate board and deposited in the educator
174.10 licensure account in the special revenue fund. ~~The executive secretary of the board shall~~
174.11 ~~deposit the fees with the commissioner of management and budget.~~ The fees as set by the
174.12 board are nonrefundable for applicants not qualifying for a license. However, ~~a fee must~~
174.13 ~~be refunded by the commissioner of management and budget~~ must refund a fee in any
174.14 case in which the applicant already holds a valid unexpired license. The board may waive
174.15 or reduce fees for applicants who apply at the same time for more than one license.

174.16 **EFFECTIVE DATE.** This section is effective July 1, 2016.

174.17 Sec. 6. Minnesota Statutes 2015 Supplement, section 122A.21, subdivision 2, is
174.18 amended to read:

174.19 Subd. 2. **Licensure via portfolio.** (a) An eligible candidate may use licensure via
174.20 portfolio to obtain an initial licensure or to add a licensure field, consistent with applicable
174.21 Board of Teaching licensure rules.

174.22 (b) A candidate for initial licensure must submit to the Educator Licensing Division
174.23 at the department one portfolio demonstrating pedagogical competence and one portfolio
174.24 demonstrating content competence.

174.25 (c) A candidate seeking to add a licensure field must submit to the Educator
174.26 Licensing Division at the department one portfolio demonstrating content competence.

174.27 (d) The Board of Teaching must notify a candidate who submits a portfolio under
174.28 paragraph (b) or (c) within 90 calendar days after the portfolio is received whether or not
174.29 the portfolio was approved. If the portfolio was not approved, the board must immediately
174.30 inform the candidate how to revise the portfolio to successfully demonstrate the requisite
174.31 competence. The candidate may resubmit a revised portfolio at any time and the Educator
174.32 Licensing Division at the department must approve or disapprove the portfolio within
174.33 60 calendar days of receiving it.

174.34 (e) A candidate must pay to the executive secretary of the Board of Teaching a \$300
174.35 fee for the first portfolio submitted for review and a \$200 fee for any portfolio submitted

175.1 subsequently. The candidate must pay the fees ~~must be paid~~ to the executive secretary
175.2 of the Board of Teaching. The revenue generated from Board of Teaching executive
175.3 secretary must deposit the fee ~~must be deposited in an education~~ the educator licensure
175.4 portfolio account in the special revenue fund. The fees set by the Board of Teaching are
175.5 nonrefundable for applicants not qualifying for a license. The Board of Teaching may
175.6 waive or reduce fees for candidates based on financial need.

175.7 **EFFECTIVE DATE.** This section is effective July 1, 2016.

175.8 Sec. 7. Minnesota Statutes 2014, section 122A.21, is amended by adding a subdivision
175.9 to read:

175.10 **Subd. 3. Annual appropriations.** The amounts collected under subdivision 2
175.11 and deposited in the educator licensure account in the special revenue fund are annually
175.12 appropriated to the Board of Teaching.

175.13 **EFFECTIVE DATE.** This section is effective July 1, 2016.

175.14 Sec. 8. Minnesota Statutes 2015 Supplement, section 122A.415, subdivision 3, is
175.15 amended to read:

175.16 **Subd. 3. Revenue timing.** (a) Districts, intermediate school districts, cooperatives,
175.17 school sites, or charter schools with approved applications must receive alternative
175.18 compensation revenue for each school year that the district, intermediate school district,
175.19 cooperative, school site, or charter school implements an alternative teacher professional
175.20 pay system under this subdivision and section 122A.414. A qualifying district, intermediate
175.21 school district, cooperative, school site, or charter school that received alternative teacher
175.22 compensation aid for the previous fiscal year must receive at least an amount of alternative
175.23 teacher compensation revenue equal to the lesser of the amount it received for the previous
175.24 fiscal year or the amount it qualifies for under subdivision 1 for the current fiscal year if
175.25 the district, intermediate school district, cooperative, school site, or charter school submits
175.26 a timely application and the commissioner determines that the district, intermediate school
175.27 district, cooperative, school site, or charter school continues to implement an alternative
175.28 teacher professional pay system, consistent with its application under this section.

175.29 (b) The commissioner shall approve applications that comply with subdivision 1,
175.30 and section 122A.414, subdivisions 2, paragraph (b), and 2a, if the applicant is a charter
175.31 school or cooperative, in the order in which they are received, select applicants that
175.32 qualify for this program, notify school districts, intermediate school districts, cooperatives,

176.1 school sites, and charter schools about the program, develop and disseminate application
176.2 materials, and carry out other activities needed to implement this section.

176.3 (c) A school district, intermediate school district, cooperative, school site, or charter
176.4 school with an approved application and a written notice from the commissioner that the
176.5 district qualifies for its first year of alternative compensation revenue must receive revenue
176.6 for that year according to section 127A.41, subdivision 2.

176.7 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2016
176.8 and later.

176.9 Sec. 9. Minnesota Statutes 2014, section 127A.41, subdivision 2, is amended to read:

176.10 Subd. 2. **Errors in distribution.** (a) On determining that the amount of state aid
176.11 distributed to a school district is in error, the commissioner is authorized to adjust the
176.12 amount of aid consistent with this subdivision. On determining that the amount of aid is
176.13 in excess of the school district's entitlement, the commissioner is authorized to recover
176.14 the amount of the excess by any appropriate means. Notwithstanding the fiscal years
176.15 designated by the appropriation, the excess may be recovered by reducing future aid
176.16 payments to the district. Notwithstanding any law to the contrary, if the aid reduced is not
176.17 of the same type as that overpaid, the district must adjust all necessary financial accounts
176.18 to properly reflect all revenues earned in accordance with the uniform financial accounting
176.19 and reporting standards pursuant to sections 123B.75 to 123B.83. Notwithstanding the
176.20 fiscal years designated by the appropriation, on determining that the amount of an aid paid
176.21 is less than the school district's entitlement, the commissioner is authorized to increase
176.22 such aid from the current appropriation. If the aid program has been discontinued and has
176.23 no appropriation, the appropriation for general education shall be used for recovery or
176.24 payment of the aid decrease or increase. Any excess of aid recovery over aid payment
176.25 shall be canceled to the state general fund.

176.26 (b) If the commissioner determines that an error in aid payments to a school under
176.27 section 122A.415, subdivision 3, paragraph (c), cannot be corrected under this section,
176.28 the commissioner must transfer the necessary funds and make those payments from the
176.29 Department of Education's annual operating budget.

176.30 **EFFECTIVE DATE.** This section is effective the day following final enactment for
176.31 aid adjustments for fiscal year 2016 and later.

176.32 Sec. 10. Laws 2015, First Special Session chapter 3, article 12, section 4, is amended
176.33 to read:

177.1 Sec. 4. **APPROPRIATIONS; DEPARTMENT OF EDUCATION.**

177.2 Subdivision 1. **Department of Education.** Unless otherwise indicated, the sums
 177.3 indicated in this section are appropriated from the general fund to the Department of
 177.4 Education for the fiscal years designated.

177.5 Subd. 2. **Department.** (a) For the Department of Education:

177.6 \$ 21,246,000 2016

177.7 ~~21,973,000~~

177.8 \$ 20,075,000 2017

177.9 (b) The fiscal year 2017 appropriation includes \$19,173,000 from the general fund
 177.10 and \$916,000 is from the educator licensure account in the special revenue fund.

177.11 Of these amounts:

177.12 (1) \$718,000 ~~each~~ in fiscal year 2016 is for the Board of Teaching;

177.13 (2) \$228,000 in fiscal year 2016 ~~and \$231,000 in fiscal year 2017 are~~ is for the
 177.14 Board of School Administrators;

177.15 (3) \$1,000,000 ~~each~~ in fiscal year 2016 only is for Regional Centers of Excellence
 177.16 under Minnesota Statutes, section 120B.115;

177.17 (4) \$500,000 each year is for the School Safety Technical Assistance Center under
 177.18 Minnesota Statutes, section 127A.052;

177.19 (5) \$250,000 each year is for the School Finance Division to enhance financial
 177.20 data analysis; and

177.21 (6) \$441,000 in fiscal year 2016 and \$720,000 in fiscal year 2017 is for implementing
 177.22 Laws 2014, chapter 272, article 1, Minnesota's Learning for English Academic Proficiency
 177.23 and Success Act, as amended.

177.24 ~~(b)~~

177.25 (c) Any balance in the first year does not cancel but is available in the second year.

177.26 ~~(e)~~ (d) None of the amounts appropriated under this subdivision may be used for
 177.27 Minnesota's Washington, D.C. office.

177.28 ~~(d)~~ (e) The expenditures of federal grants and aids as shown in the biennial budget
 177.29 document and its supplements are approved and appropriated and shall be spent as
 177.30 indicated.

177.31 ~~(e)~~ (f) This appropriation includes funds for information technology project services
 177.32 and support subject to the provisions of Minnesota Statutes, section 16E.0466. Any
 177.33 ongoing information technology costs will be incorporated into the service level agreement
 177.34 and will be paid to the Office of MN.IT Services by the Department of Education under
 177.35 the rates and mechanism specified in that agreement.

178.1 ~~(f)~~ (g) If a school qualifying for aid under Minnesota Statutes, section 122A.415,
178.2 subdivision 3, paragraph (c), does not receive aid under that section or Minnesota Statutes,
178.3 section 127A.41, subdivision 2, paragraph (b), the commissioner must transfer the
178.4 amounts necessary to make these payments from the agency appropriation in paragraph
178.5 (a) to the appropriation for alternative compensation revenue.

178.6 (h) \$51,000 in fiscal year 2017 is for agency compliance.

178.7 (i) The agency's base budget in fiscal year 2018 is \$21,973,000 \$20,024,000. The
178.8 agency's base budget in fiscal year 2019 is \$21,948,000 \$19,999,000.

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

178.10 Sec. 11. **TRANSFERS.**

178.11 Subdivision 1. **Portfolio account.** On July 1, 2016, the commissioner of management
178.12 and budget shall transfer any balances in the educator licensure portfolio account in the
178.13 special revenue fund to the educator licensure account in the special revenue fund.

178.14 Subd. 2. **Background check.** Any balance in an account that holds fees collected
178.15 under Minnesota Statutes, section 122A.18, subdivision 8, is transferred to the educator
178.16 licensure background check account in the special revenue fund under Minnesota Statutes,
178.17 section 122A.185, subdivision 2. On July 2, 2016, \$80,000 is transferred from the
178.18 education licensure background check account in the special revenue fund to the educator
178.19 licensure account in the special revenue fund.

178.20 Sec. 12. **APPROPRIATION; BOARD OF TEACHING.**

178.21 \$718,000 in fiscal year 2017 is appropriated from the educator licensure account in
178.22 the special revenue fund to the Board of Teaching.

178.23 Sec. 13. **APPROPRIATION; BOARD OF SCHOOL ADMINISTRATORS.**

178.24 \$231,000 in fiscal year 2017 is appropriated from the educator licensure account in
178.25 the special revenue fund to the Board of School Administrators.

178.26 **ARTICLE 15**

178.27 **FORECAST ADJUSTMENTS**

178.28 Section 1. Laws 2015, First Special Session chapter 3, article 1, section 27, subdivision
178.29 4, is amended to read:

178.30 Subd. 4. **Abatement revenue.** For abatement aid under Minnesota Statutes, section
178.31 127A.49:

179.1 ~~2,740,000~~
 179.2 \$ 3,051,000 2016
 179.3 ~~2,932,000~~
 179.4 \$ 3,425,000 2017

179.5 The 2016 appropriation includes \$278,000 for 2015 and ~~\$2,462,000~~ \$2,773,000
 179.6 for 2016.

179.7 The 2017 appropriation includes ~~\$273,000~~ \$308,000 for 2016 and ~~\$2,659,000~~
 179.8 \$3,117,000 for 2017.

179.9 Sec. 2. Laws 2015, First Special Session chapter 3, article 1, section 27, subdivision 5,
 179.10 is amended to read:

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

179.13 ~~292,000~~
 179.14 \$ 22,000 2016
 179.15 ~~165,000~~
 179.16 \$ 0 2017

179.17 The 2016 appropriation includes \$22,000 for 2015 and ~~\$270,000~~ \$0 for 2016.

179.18 The 2017 appropriation includes ~~\$30,000~~ \$0 for 2016 and ~~\$135,000~~ \$0 for 2017.

179.19 Sec. 3. Laws 2015, First Special Session chapter 3, article 1, section 27, subdivision 6,
 179.20 is amended to read:

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

179.23 ~~16,881,000~~
 179.24 \$ 16,759,000 2016
 179.25 ~~17,460,000~~
 179.26 \$ 17,235,000 2017

179.27 The 2016 appropriation includes \$1,575,000 for 2015 and ~~\$15,306,000~~ \$15,184,000
 179.28 for 2016.

179.29 The 2017 appropriation includes ~~\$1,700,000~~ \$1,687,000 for 2016 and ~~\$15,760,000~~
 179.30 \$15,548,000 for 2017.

179.31 Sec. 4. Laws 2015, First Special Session chapter 3, article 1, section 27, subdivision 7,
 179.32 is amended to read:

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

180.1 ~~17,654,000~~
 180.2 \$ 17,673,000 2016
 180.3 ~~17,792,000~~
 180.4 \$ 18,103,000 2017

180.5 The 2016 appropriation includes \$1,816,000 for 2015 and ~~\$15,838,000~~ \$15,857,000
 180.6 for 2016.

180.7 The 2017 appropriation includes ~~\$1,759,000~~ \$1,761,000 for 2016 and ~~\$16,033,000~~
 180.8 \$16,342,000 for 2017.

180.9 Sec. 5. Laws 2015, First Special Session chapter 3, article 1, section 27, subdivision 9,
 180.10 is amended to read:

180.11 Subd. 9. **Career and technical aid.** For career and technical aid under Minnesota
 180.12 Statutes, section 124D.4531, subdivision 1b:

180.13 ~~5,420,000~~
 180.14 \$ 5,922,000 2016
 180.15 ~~4,405,000~~
 180.16 \$ 4,262,000 2017

180.17 The 2016 appropriation includes \$574,000 for 2015 and ~~\$4,846,000~~ \$5,348,000
 180.18 for 2016.

180.19 The 2017 appropriation includes ~~\$538,000~~ \$517,000 for 2016 and ~~\$3,867,000~~
 180.20 \$3,745,000 for 2017.

180.21 Sec. 6. Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision 3,
 180.22 is amended to read:

180.23 Subd. 3. **Achievement and integration aid.** For achievement and integration aid
 180.24 under Minnesota Statutes, section 124D.862:

180.25 ~~65,539,000~~
 180.26 \$ 65,439,000 2016
 180.27 ~~68,745,000~~
 180.28 \$ 69,255,000 2017

180.29 The 2016 appropriation includes \$6,382,000 for 2015 and ~~\$59,157,000~~ \$59,057,000
 180.30 for 2016.

180.31 The 2017 appropriation includes ~~\$6,573,000~~ \$6,561,000 for 2016 and ~~\$62,172,000~~
 180.32 \$62,694,000 for 2017.

180.33 Sec. 7. Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision 4,
 180.34 is amended to read:

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

181.3		44,552,000		
181.4	\$	<u>44,538,000</u>	.....	2016
181.5		45,508,000		
181.6	\$	<u>45,855,000</u>	.....	2017

181.7 The 2016 appropriation includes \$4,683,000 for 2015 and ~~\$39,869,000~~ \$39,855,000
 181.8 for 2016.

181.9 The 2017 appropriation includes ~~\$4,429,000~~ \$4,428,000 for 2016 and ~~\$41,079,000~~
 181.10 \$41,427,000 for 2017.

181.11 Sec. 8. Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision 5,
 181.12 is amended to read:

181.13 Subd. 5. **Interdistrict desegregation or integration transportation grants.** For
 181.14 interdistrict desegregation or integration transportation grants under Minnesota Statutes,
 181.15 section 124D.87:

181.16		15,023,000		
181.17	\$	<u>14,423,000</u>	.....	2016
181.18		15,825,000		
181.19	\$	<u>15,193,000</u>	.....	2017

181.20 Sec. 9. Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision 7,
 181.21 is amended to read:

181.22 Subd. 7. **Tribal contract schools.** For tribal contract school aid under Minnesota
 181.23 Statutes, section 124D.83:

181.24		4,340,000		
181.25	\$	<u>3,539,000</u>	.....	2016
181.26		5,090,000		
181.27	\$	<u>3,715,000</u>	.....	2017

181.28 The 2016 appropriation includes \$204,000 for 2015 and ~~\$4,136,000~~ \$3,335,000
 181.29 for 2016.

181.30 The 2017 appropriation includes ~~\$459,000~~ \$370,000 for 2016 and ~~\$4,631,000~~
 181.31 \$3,345,000 for 2017.

181.32 Sec. 10. Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision
 181.33 11, is amended to read:

181.34 Subd. 11. **American Indian education aid.** For American Indian education aid
 181.35 under Minnesota Statutes, section 124D.81, subdivision 2a:

182.1 ~~7,868,000~~
 182.2 \$ 7,740,000 2016
 182.3 ~~8,875,000~~
 182.4 \$ 8,878,000 2017

182.5 The 2016 appropriation includes \$0 for 2015 and ~~\$7,868,000~~ \$7,740,000 for 2016.

182.6 The 2017 appropriation includes ~~\$874,000~~ \$860,000 for 2016 and ~~\$8,001,000~~
 182.7 \$8,018,000 for 2017.

182.8 Sec. 11. Laws 2015, First Special Session chapter 3, article 4, section 9, subdivision 2,
 182.9 is amended to read:

182.10 Subd. 2. **Charter school building lease aid.** For building lease aid under Minnesota
 182.11 Statutes, section ~~124D.11~~, subdivision ~~4~~ 124E.22:

182.12 ~~66,787,000~~
 182.13 \$ 63,540,000 2016
 182.14 ~~73,603,000~~
 182.15 \$ 69,962,000 2017

182.16 The 2016 appropriation includes \$6,032,000 for 2015 and ~~\$60,755,000~~ \$57,508,000
 182.17 for 2016.

182.18 The 2017 appropriation includes ~~\$6,750,000~~ \$6,389,000 for 2016 and ~~\$66,853,000~~
 182.19 \$63,573,000 for 2017.

182.20 Sec. 12. Laws 2015, First Special Session chapter 3, article 5, section 30, subdivision
 182.21 3, is amended to read:

182.22 Subd. 3. **Travel for home-based services.** For aid for teacher travel for home-based
 182.23 services under Minnesota Statutes, section 125A.75, subdivision 1:

182.24 ~~361,000~~
 182.25 \$ 416,000 2016
 182.26 ~~371,000~~
 182.27 \$ 435,000 2017

182.28 The 2016 appropriation includes \$35,000 for 2015 and ~~\$326,000~~ \$381,000 for 2016.

182.29 The 2017 appropriation includes ~~\$36,000~~ \$42,000 for 2016 and ~~\$335,000~~ \$393,000
 182.30 for 2017.

182.31 Sec. 13. Laws 2015, First Special Session chapter 3, article 5, section 30, subdivision
 182.32 5, is amended to read:

182.33 Subd. 5. **Aid for children with disabilities.** For aid under Minnesota Statutes,
 182.34 section 125A.75, subdivision 3, for children with disabilities placed in residential facilities
 182.35 within the district boundaries for whom no district of residence can be determined:

183.1 ~~1,406,000~~
 183.2 \$ 1,307,000 2016
 183.3 ~~1,629,000~~
 183.4 \$ 1,516,000 2017

183.5 If the appropriation for either year is insufficient, the appropriation for the other
 183.6 year is available.

183.7 Sec. 14. Laws 2015, First Special Session chapter 3, article 6, section 13, subdivision
 183.8 2, is amended to read:

183.9 Subd. 2. **Long-term maintenance equalization aid.** For long-term maintenance
 183.10 equalization aid under Minnesota Statutes, section 123B.595:

183.11 \$ 0 2016
 183.12 ~~52,088,000~~
 183.13 \$ 52,553,000 2017

183.14 The 2017 appropriation includes \$0 for 2016 and ~~\$52,088,000~~ \$52,553,000 for 2017.

183.15 Sec. 15. Laws 2015, First Special Session chapter 3, article 6, section 13, subdivision
 183.16 3, is amended to read:

183.17 Subd. 3. **Debt service equalization.** For debt service aid according to Minnesota
 183.18 Statutes, section 123B.53, subdivision 6:

183.19 \$ 20,349,000 2016
 183.20 ~~22,171,000~~
 183.21 \$ 22,926,000 2017

183.22 The 2016 appropriation includes \$2,295,000 for 2015 and \$18,054,000 for 2016.

183.23 The 2017 appropriation includes \$2,005,000 for 2016 and ~~\$20,166,000~~ \$20,921,000
 183.24 for 2017.

183.25 Sec. 16. Laws 2015, First Special Session chapter 3, article 6, section 13, subdivision
 183.26 6, is amended to read:

183.27 Subd. 6. **Deferred maintenance aid.** For deferred maintenance aid, according to
 183.28 Minnesota Statutes, section 123B.591, subdivision 4:

183.29 ~~3,520,000~~
 183.30 \$ 3,523,000 2016
 183.31 \$ 345,000 2017

183.32 The 2016 appropriation includes \$409,000 for 2015 and ~~\$3,111,000~~ \$3,114,000
 183.33 for 2016.

183.34 The 2017 appropriation includes \$345,000 for 2016 and \$0 for 2017.

184.1 Sec. 17. Laws 2015, First Special Session chapter 3, article 6, section 13, subdivision
 184.2 7, is amended to read:

184.3 Subd. 7. **Health and safety revenue.** For health and safety aid according to
 184.4 Minnesota Statutes, section 123B.57, subdivision 5:

184.5		501,000		
184.6	\$	<u>588,000</u>	.....	2016
184.7		48,000		
184.8	\$	<u>57,000</u>	.....	2017

184.9 The 2016 appropriation includes \$66,000 for 2015 and ~~\$435,000~~ \$522,000 for 2016.

184.10 The 2017 appropriation includes ~~\$48,000~~ \$57,000 for 2016 and \$0 for 2017.

184.11 Sec. 18. Laws 2015, First Special Session chapter 3, article 7, section 7, subdivision 2,
 184.12 is amended to read:

184.13 Subd. 2. **School lunch.** For school lunch aid according to Minnesota Statutes,
 184.14 section 124D.111, and Code of Federal Regulations, title 7, section 210.17:

184.15		15,661,000		
184.16	\$	<u>16,251,000</u>	.....	2016
184.17		15,818,000		
184.18	\$	<u>16,739,000</u>	.....	2017

184.19 Sec. 19. Laws 2015, First Special Session chapter 3, article 7, section 7, subdivision 3,
 184.20 is amended to read:

184.21 Subd. 3. **School breakfast.** For traditional school breakfast aid under Minnesota
 184.22 Statutes, section 124D.1158:

184.23		9,731,000		
184.24	\$	<u>9,457,000</u>	.....	2016
184.25		10,361,000		
184.26	\$	<u>10,149,000</u>	.....	2017

184.27 Sec. 20. Laws 2015, First Special Session chapter 3, article 7, section 7, subdivision 4,
 184.28 is amended to read:

184.29 Subd. 4. **Kindergarten milk.** For kindergarten milk aid under Minnesota Statutes,
 184.30 section 124D.118:

184.31		942,000		
184.32	\$	<u>788,000</u>	.....	2016
184.33		942,000		
184.34	\$	<u>788,000</u>	.....	2017

185.1 Sec. 21. Laws 2015, First Special Session chapter 3, article 9, section 8, subdivision 5,
 185.2 is amended to read:

185.3 Subd. 5. **Early childhood family education aid.** For early childhood family
 185.4 education aid under Minnesota Statutes, section 124D.135:

185.5		28,444,000	
185.6	\$	<u>27,948,000</u>	..... 2016
185.7		29,939,000	
185.8	\$	<u>29,336,000</u>	..... 2017

185.9 The 2016 appropriation includes \$2,713,000 for 2015 and ~~\$25,731,000~~ \$25,235,000
 185.10 for 2016.

185.11 The 2017 appropriation includes ~~\$2,858,000~~ \$2,803,000 for 2016 and ~~\$27,081,000~~
 185.12 \$26,533,000 for 2017.

185.13 Sec. 22. Laws 2015, First Special Session chapter 3, article 9, section 8, subdivision 6,
 185.14 is amended to read:

185.15 Subd. 6. **Developmental screening aid.** For developmental screening aid under
 185.16 Minnesota Statutes, sections 121A.17 and 121A.19:

185.17		3,363,000	
185.18	\$	<u>3,477,000</u>	..... 2016
185.19		3,369,000	
185.20	\$	<u>3,488,000</u>	..... 2017

185.21 The 2016 appropriation includes \$338,000 for 2015 and ~~\$3,025,000~~ \$3,139,000
 185.22 for 2016.

185.23 The 2017 appropriation includes ~~\$336,000~~ \$348,000 for 2016 and ~~\$3,033,000~~
 185.24 \$3,140,000 for 2017.

185.25 Sec. 23. Laws 2015, First Special Session chapter 3, article 10, section 3, subdivision
 185.26 2, is amended to read:

185.27 Subd. 2. **Community education aid.** For community education aid under
 185.28 Minnesota Statutes, section 124D.20:

185.29		788,000	
185.30	\$	<u>790,000</u>	..... 2016
185.31		554,000	
185.32	\$	<u>553,000</u>	..... 2017

185.33 The 2016 appropriation includes \$107,000 for 2015 and ~~\$681,000~~ \$683,000 for 2016.

185.34 The 2017 appropriation includes \$75,000 for 2016 and ~~\$479,000~~ \$478,000 for 2017.

186.1 Sec. 24. Laws 2015, First Special Session chapter 3, article 11, section 3, subdivision
186.2 2, is amended to read:

186.3 Subd. 2. **Adult basic education aid.** For adult basic education aid under Minnesota
186.4 Statutes, section 124D.531:

186.5		49,118,000		
186.6	\$	<u>48,231,000</u>	.....	2016
186.7		50,592,000		
186.8	\$	<u>49,683,000</u>	.....	2017

186.9 The 2016 appropriation includes \$4,782,000 for 2015 and ~~\$44,336,000~~ \$43,449,000
186.10 for 2016.

186.11 The 2017 appropriation includes ~~\$4,926,000~~ \$4,827,000 for 2016 and ~~\$45,666,000~~
186.12 \$44,856,000 for 2017.

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ARTICLE 5	MONITORING OF PSYCHIATRIC DRUG TRIALS	Page.Ln 17.18
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ARTICLE 7	GENERAL EDUCATION	Page.Ln 27.11
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ARTICLE 10	SPECIAL EDUCATION	Page.Ln 133.19
ARTICLE 11	FACILITIES AND TECHNOLOGY	Page.Ln 148.29
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120B.299 DEFINITIONS.

Subd. 5. **Adequate yearly progress.** A school or district makes "adequate yearly progress" if, for every student subgroup under the federal 2001 No Child Left Behind Act in the school or district, its proficiency index or other approved adjustments for performance, based on statewide assessment scores, meets or exceeds federal expectations. To make adequate yearly progress, the school or district also must satisfy applicable federal requirements related to student attendance, graduation, and test participation rates.

122A.40 EMPLOYMENT; CONTRACTS; TERMINATION.

Subd. 11. **Unrequested leave of absence.** The board may place on unrequested leave of absence, without pay or fringe benefits, as many teachers as may be necessary because of discontinuance of position, lack of pupils, financial limitations, or merger of classes caused by consolidation of districts. The unrequested leave is effective at the close of the school year. In placing teachers on unrequested leave, the board is governed by the following provisions:

(a) The board may place probationary teachers on unrequested leave first in the inverse order of their employment. A teacher who has acquired continuing contract rights must not be placed on unrequested leave of absence while probationary teachers are retained in positions for which the teacher who has acquired continuing contract rights is licensed;

(b) Teachers who have acquired continuing contract rights shall be placed on unrequested leave of absence in fields in which they are licensed in the inverse order in which they were employed by the school district. In the case of equal seniority, the order in which teachers who have acquired continuing contract rights shall be placed on unrequested leave of absence in fields in which they are licensed is negotiable;

(c) Notwithstanding the provisions of paragraph (b), a teacher is not entitled to exercise any seniority when that exercise results in that teacher being retained by the district in a field for which the teacher holds only a provisional license, as defined by the board of teaching, unless that exercise of seniority results in the placement on unrequested leave of absence of another teacher who also holds a provisional license in the same field. The provisions of this paragraph do not apply to vocational education licenses;

(d) Notwithstanding paragraphs (a), (b), and (c), if the placing of a probationary teacher on unrequested leave before a teacher who has acquired continuing rights, the placing of a teacher who has acquired continuing contract rights on unrequested leave before another teacher who has acquired continuing contract rights but who has greater seniority, or the restriction imposed by the provisions of paragraph (c) would place the district in violation of its affirmative action program, the district may retain the probationary teacher, the teacher with less seniority, or the provisionally licensed teacher;

(e) Teachers placed on unrequested leave of absence must be reinstated to the positions from which they have been given leaves of absence or, if not available, to other available positions in the school district in fields in which they are licensed. Reinstatement must be in the inverse order of placement on leave of absence. A teacher must not be reinstated to a position in a field in which the teacher holds only a provisional license, other than a vocational education license, while another teacher who holds a nonprovisional license in the same field remains on unrequested leave. The order of reinstatement of teachers who have equal seniority and who are placed on unrequested leave in the same school year is negotiable;

(f) Appointment of a new teacher must not be made while there is available, on unrequested leave, a teacher who is properly licensed to fill such vacancy, unless the teacher fails to advise the school board within 30 days of the date of notification that a position is available to that teacher who may return to employment and assume the duties of the position to which appointed on a future date determined by the board;

(g) A teacher placed on unrequested leave of absence may engage in teaching or any other occupation during the period of this leave;

(h) The unrequested leave of absence must not impair the continuing contract rights of a teacher or result in a loss of credit for previous years of service;

(i) The unrequested leave of absence of a teacher who is placed on unrequested leave of absence and who is not reinstated shall continue for a period of five years, after which the right to reinstatement shall terminate. The teacher's right to reinstatement shall also terminate if the teacher fails to file with the board by April 1 of any year a written statement requesting reinstatement;

(j) The same provisions applicable to terminations of probationary or continuing contracts in subdivisions 5 and 7 must apply to placement on unrequested leave of absence;

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(k) Nothing in this subdivision shall be construed to impair the rights of teachers placed on unrequested leave of absence to receive unemployment benefits if otherwise eligible.

122A.41 TEACHER TENURE ACT; CITIES OF THE FIRST CLASS; DEFINITIONS.

Subd. 14. **Services terminated by discontinuance or lack of pupils; preference given.**

(a) A teacher whose services are terminated on account of discontinuance of position or lack of pupils must receive first consideration for other positions in the district for which that teacher is qualified. In the event it becomes necessary to discontinue one or more positions, in making such discontinuance, teachers must be discontinued in any department in the inverse order in which they were employed, unless a board and the exclusive representative of teachers in the district negotiate a plan providing otherwise.

(b) Notwithstanding the provisions of clause (a), a teacher is not entitled to exercise any seniority when that exercise results in that teacher being retained by the district in a field for which the teacher holds only a provisional license, as defined by the Board of Teaching, unless that exercise of seniority results in the termination of services, on account of discontinuance of position or lack of pupils, of another teacher who also holds a provisional license in the same field. The provisions of this clause do not apply to vocational education licenses.

(c) Notwithstanding the provisions of clause (a), a teacher must not be reinstated to a position in a field in which the teacher holds only a provisional license, other than a vocational education license, while another teacher who holds a nonprovisional license in the same field is available for reinstatement.

122A.413 EDUCATIONAL IMPROVEMENT PLAN.

Subdivision 1. **Qualifying plan.** A district, intermediate school district, or a cooperative unit, as defined in section 123A.24, subdivision 2, may develop an educational improvement plan for the purpose of qualifying for the alternative teacher professional pay system under section 122A.414. The plan must include measures for improving school district, intermediate school district, cooperative, school site, teacher, and individual student performance.

Subd. 2. **Plan components.** The educational improvement plan must be approved by the school board or governing 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 under section 124D.59, subdivisions 2 and 2a, 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.

Subd. 3. **School site accountability.** A district or intermediate school district that develops a plan under subdivisions 1 and 2 must ensure that each school site develops a board-approved educational improvement plan that is aligned with the district educational improvement plan under subdivision 2 and developed with the exclusive representative of the teachers. While a site plan must be consistent with the district educational improvement plan, it may establish performance goals and benchmarks that meet or exceed those of the district.

122A.74 PRINCIPALS' LEADERSHIP INSTITUTE.

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

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(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;

(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 by February 1. In addition, a principal may submit an application directly to the commissioner by February 1. The commissioner 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.

123B.60 BUILDING BONDS FOR CALAMITIES.

Subd. 2. **Health and safety revenue.** For any fiscal year where the total amount of health and safety revenue is limited, the commissioner must award highest priority to health and safety revenue pledged to repay building bonds issued under subdivision 1.

123B.79 PERMANENT FUND TRANSFERS.

Subd. 2. **Technical colleges.** Money must not be transferred from the postsecondary general fund to any other operating or nonoperating fund.

Subd. 6. **Account transfer for statutory operating debt.** On June 30 of each year, a district may make a permanent transfer from the general fund account entitled "net unreserved general fund balance since statutory operating debt" to the account entitled "reserved fund balance reserve account for purposes of statutory operating debt reduction." The amount of the transfer is limited to the net unreserved general fund balance. If the net unreserved general fund balance is less than zero, the district may not make a transfer.

3535.0110 DEFINITIONS.

Subp. 6. **Racially identifiable school within a district.** "Racially identifiable school within a district" means a school where the enrollment of protected students at the school within a district is more than 20 percentage points above the enrollment of protected students in the entire district for the grade levels served by that school.

3535.0110 DEFINITIONS.

Subp. 7. **Racially isolated school district.** "Racially isolated school district" means a district where the districtwide enrollment of protected students exceeds the enrollment of protected students of any adjoining district by more than 20 percentage points.

3535.0110 DEFINITIONS.

Subp. 8. **School.** "School" means a site in a public school district serving any of kindergarten through grade 12. For purposes of parts 3535.0160 to 3535.0180 only, school does not mean:

- A. charter schools under Minnesota Statutes, chapter 124E;
- B. area learning centers under Minnesota Statutes, section 123A.05;
- C. public alternative programs under Minnesota Statutes, section 126C.05, subdivision 15;
- D. contracted alternative programs under Minnesota Statutes, section 124D.69;
- E. school sites specifically designed to address limited English proficiency;
- F. school sites specifically designed to address the needs of students with an individualized education program (IEP); and
- G. secure and nonsecure treatment facilities licensed by the Department of Human Services or the Department of Corrections.