

# HOUSE RESEARCH

## Bill Summary

**FILE NUMBER:** H.F. 3066  
**Version:** First engrossment

**DATE:** March 31, 2016

**Authors:** Erickson

**Subject:** K-12 education policy and technical bill

**Analyst:** Lisa Larson  
Tim Strom

This publication can be made available in alternative formats upon request. Please call 651-296-6753 (voice); or the Minnesota State Relay Service at 1-800-627-3529 (TTY) for assistance. Summaries are also available on our website at: [www.house.mn/hrd/](http://www.house.mn/hrd/).

This bill contains technical and substantive policy changes to the state education code.

### Section

#### Article 1: General Education

#### Overview

Clarifies the definition of a cooperative unit to explicitly include special education cooperatives and adjusts the timelines for calculating and reporting the disparity in general revenue across Minnesota's school districts.

- 1 Cooperative unit defined.** Explicitly adds special education cooperatives to the types of joint governance units that are considered "cooperative units" for purposes of the school code.
- 2 Statewide average revenue.** Grants the Minnesota Department of Education another two months to prepare the annual report that measures the disparity in adjusted general revenue among school districts by changing the date the report must be prepared from October 1 to December 1 (this delay allows the MDE to use more current data). Delays the date for the commissioner of education to make recommendations based on the results of the report from January 15 to February 1. Clarifies that the definition of adjusted general revenue includes local optional revenue.

## Section

### **Article 2: Education Excellence**

- 1 Parental responsibility.** Makes technical changes.  
Makes this section effective immediately.
- 2 Conduct of school on certain holidays.** (b) Allows districts to honor Constitution Day and Citizenship Day by providing opportunities for students to learn about American government, law, history, and geography by, among other activities, answering test questions that applicants for naturalization must answer.
- 3 Performance measures.** Strikes student performance on NAEP as a world's best work force measure of district and school progress.
- 4 Adopting plans and budgets.** Requires a world's best work force plan to include a process to: assess and identify students to participate in gifted and talented programs and accelerate their instruction, and to adopt early admission procedures under Minnesota's gifted and talented program; and examine the equitable distribution of teachers and strategies to ensure low-income and minority children are not taught by inexperienced, ineffective, or out-of-field teachers.
- 5 Report.** Consistent with school performance reports and the world's best work force, directs local school boards to examine the equitable distribution of effective, experienced, and in-field teachers.
- 6 Gifted and talented students program.** Requires school districts to adopt guidelines and procedures for students, including early learners, to participate in Minnesota's gifted and talented program, consistent with the district's world's best work force plan for assessing and evaluating student progress.
- 7 Statewide testing.** Requires the MnSCU chancellor, in consultation with the commissioner of education, to identify appropriate college-ready scores on the Minnesota Comprehensive Assessments for high school math, reading, and writing to serve as student preparation guidelines.  
Makes this section effective for the 2016-2017 school year.
- 8 School and student indicators of growth.** Strikes an obsolete reference to the No Child Left Behind Act and substitutes a reference to federal expectations.
- 9 Federal expectations for student academic achievement.** Strikes an obsolete reference to adequate yearly progress under the No Child Left Behind Act. Adds student categories based on race, ethnicity, language proficiency, disabilities, poverty, migrant, immigrant, and homeless status, and enrollment in foster care for purposes of state accountability reports.
- 10 State growth target; other state measures.** Strikes obsolete references to student categories identified under the No Child Left Behind Act and substitutes references to student categories identified under the federal Elementary and Secondary Education Act.
- 11 Improving schools.** Strikes an obsolete reference to student growth measures and substitutes a reference to high performing schools identified under federal ESSA expectations.

## Section

- 12 School accountability; appeals process.** Strikes adequate yearly progress and student performance references made obsolete by the reauthorized federal Elementary and Secondary Education Act and substitutes references to federal expectations. Classifies the world's best workforce data gathered by the department as nonpublic data until it is publicly released.
- 13 Permissions.** Permits the Board of Teaching to grant a waiver to a qualified person to teach in a Montessori program operated by a district or charter school.  
Makes this section effective for the 2016-2017 through 2018-2019 school years.
- 14 Qualified teacher defined.** Strikes obsolete language defining highly qualified teacher under the federal No Child Left Behind Act.
- 15 Qualified teacher.** Strikes obsolete language.
- 16 Exemption for technical education instructors.** Updates and clarifies career and technical education references.
- 17 Restructured pay system.** Strikes obsolete language.
- 18 Alternative teacher professional pay system.** As a condition of eligibility for Q-Comp funding, requires interested districts and schools to have a world's best work force plan instead of an educational improvement plan.
- 19 Approval process.** Strikes a statutory cross reference to conform this Q-Comp section with the change in required plans under the preceding section in this article.
- 20 Supplemental agreements; alternative teacher pay.** Strikes a statutory cross reference to conform this Q-Comp section with the change in required plans under the two preceding sections in this article.
- 21 Alternative teacher compensation revenue for Perpich Center for Arts Education and multidistrict integration collaboratives.** Strikes a statutory cross reference to conform this Q-Comp section with the change in required plans under the three preceding sections in this article.
- 22 Staff development report.** Strikes language requiring school districts and school sites to write and submit a staff development activity and expenditure report to the education commissioner. Instead requires school districts and school sites to include the staff development report in the district's world's best work force report. Strikes language requiring the commissioner to submit annual staff development data to the legislature.
- 23 Center functions.** Strikes an obsolete reference to highly qualified teacher under the federal No Child Left Behind Act.
- 24 Full-service community school program.** Strikes a reference to federal reading programs included on a list of programs available under the full-service community school program.
- 25 Participating school; American Indian school.** Corrects a title reference under federal law.
- 26 Prekindergarten through grade 12 parental rights coded elsewhere.**

**Subd. 1. Scope.** Indicates the sections referred to in subdivisions 2 to 30 of this section are codified elsewhere in Minnesota's education code and govern parent rights on topics related to prekindergarten through grade 12 education.

## Section

**Subds. 2 to 30.** List statutory provisions contained in Minnesota's education code establishing parent rights related to their students' kindergarten through grade 12 education.

- 27**     **Survey of districts.** Directs the education commissioner, when surveying the state's school districts and teacher preparation programs, to submit a biennial report to the legislature on students' access to effective and more diverse teachers who reflect the diversity of district students and how districts are projected to make progress over a five-year period in providing enrolled students throughout the state with improved and equitable access to effective and diverse teachers and substitute teachers.
- 28**     **State administration of student survey instruments generally prohibited.** Generally prohibits the commissioner from developing, coordinating, assisting with, or using statewide student surveys to seek information about a student's activities, opinions, behaviors, or experiences on various topics.
- 29**     **Implementation of Elementary and Secondary Education Act.** Strikes obsolete language related to the federal No Child Left Behind Act. Substitutes a reference to the federal Elementary and Secondary Education Act.
- 30**     **Governance.** (a) Declares the board of the Perpich Center for Arts Education consists of 13 rather than 15 members and requires at least one school administrator or elected school board member, one professional artist, and one arts educator to serve on the board.
- (b) Requires a seven-member nominating committee composed of three Perpich Center for Arts Education board members, one Minnesota State Arts board member, one Minnesota School Boards Association member, one Minnesota Association of Schools Administrators member, and one member appointed by the governor to meet when a board member's term ends or a vacancy arises to prepare and submit a list of recommended Perpich Center for Arts Education board candidates to the governor.
- (c) Requires Perpich Center for Arts Education board members to complete board training.
- Makes this section effective immediately and directs the governor to determine which board member terms end on the effective date of this section to reduce the number of board members from 15 to 13.
- 31**     **Public information.**
- Subd. 1. Board minutes.** Requires the board to post minutes of its meeting on its official Web site and other financial management and reporting documents.
- Subd. 2. Annual report.** Requires the board to post an annual financial report and longitudinal data on student enrollment, students' congressional district of residence, high school graduation rates, and post-graduation student placements.
- Subd. 3. World's best workforce.** Directs the board to prepare and post a comprehensive, long-term strategic improvement plan and report plan strategies, activities, practices, and outcomes on its Web site.
- Subd. 4. Audit report.** (a) Subjects the Perpich Center for Arts Education to an annual audit conducted in compliance with generally accepted governmental auditing standards. Allows the legislative auditor or the Minnesota department of education to

## Section

conduct financial, program, or compliance audits and to direct the Perpich Center for Arts Education to include additional items in its annual independent audit.

(b) With education department approval, allows the Perpich Center for Arts Education to combine its annual independent audit with the Crosswinds School required annual audit.

(c) Requires the Perpich Center for Arts Education to post its most recent audit on its Web site.

Makes this section effective immediately.

- 32 Minnesota Comprehensive Assessment college-ready score.** Precludes a state college or university from requiring an individual to take a remedial, noncredit course if the individual received a college-ready MCA score in that subject area.

Makes this section effective for the 2018-2019 school year and later.

- 33 Innovative delivery of career and technical education programs and services and sharing of district resources.**

**Subd. 1. Establishment; requirements for participation.** (a) Establishes a program to improve student, career and college readiness, and school outcomes by allowing groups of school districts to form partnerships with postsecondary and community institutions and workplace partners to: provide innovative education programs and activities that integrate core academic and career and technical subjects in students' program of study through coordinated secondary and postsecondary career and technical programs leading to an industry certification or other credential; use performance assessments in authentic settings to measure students' technical skills and progress toward an industry certification or other credential; and efficiently share district, institution, and workplace resources.

(b) Requires participating school districts to receive formal board approval and to develop a plan to provide challenging programs, create professional development opportunities, increase student engagement and connection and challenging learning opportunities for diverse populations of students that are focused on employability skills and technical, job-specific skills related to a specific career pathway, or demonstrate efficiencies in delivering financial and other needed services. Requires the plan to include performance assessments in authentic settings to measure students' technical skills and progress toward an industry certification or other credential, among other measures and plan requirements.

(e) Requires participating districts to submit a biennial report to the legislature by February 1 in each odd-numbered year to show their success in preparing diverse populations of students for careers and jobs.

**Subd. 2. Commissioner's role.** Directs the education commissioner to select qualified applicants and to ensure an equitable distribution of participants to the extent practicable.

Makes this section effective immediately. Allows school districts already approved for an innovation zone pilot project to continue to operate under the existing session laws.

## Section

- 34**      **Legislative study group on education licensure.** (a) Establishes a 12-member legislative study group to review the 2016 OLA report on teacher licensing and to report to the legislature by 2/1/17, on recommendations for restructuring Minnesota's teacher licensure system.
- (b) Includes six currently serving house members, including the chair of the house Education Innovation Policy Committee, three appointed by the house speaker and three appointed by the house minority leader, and six currently serving senate members, including the chair of the senate education committee, three appointed by the senate majority leader and three appointed by the senate minority leader, as study group members.
- (c) Requires appointments to be made by 6/1/16 and causes the appointments to expire on 2/2/17. Requires the leader of the caucus in the affected body to which a vacating study group member belonged to fill any vacancy that occurs. Directs the chair of the House education innovation policy committee to convene the first meeting. Requires the study group to meet periodically. Directs the Legislative Coordinating Commission to provide technical and administrative assistance upon request.
- (d) Directs the study group to consult with the Board of Teaching, the education department, the Board of School Administrators; and interested and affected stakeholders.
- (e) Causes the study group to expire on 7/2/17 unless extended by law.
- Makes this section immediately effective.
- 35**      **Board of Teaching report.** Directs the Board of Teaching to submit a written report to the legislature by February 1, 2017, listing the statutory and rule requirements on teacher preparation, exams, and training applicable to candidates for teacher licensure and the statutory and rule requirements on continuing education applicable to teachers seeking to renew their full professional teaching license.
- Makes this section effective immediately.
- 36**      **Data security plan.**
- Subd. 1. Plan components.** Directs the commissioner of education to develop, publish, and oversee a detailed data security plan that combines administrative, physical, and technical safeguards and includes: requirements for accessing K-12 data systems containing personally identifiable information on students, authorizing data and system access for other agencies, authenticating access to such data, protecting student data gathered by an Internet operator that describes or otherwise identifies a student, and sanctions for failing to comply with the guidelines; minimum privacy compliance standards based on reasonable and enforceable security measures and practices; regular privacy and security compliance audits of SLEDS and other data systems; and data retention, storage, disposal, and security policies and protocols.
- Subd. 2. Plan report.** Directs the commissioner to report to the legislature by January 10, 2017, on the department's progress in developing the plan and include cost estimates to further develop and implement the plan.
- Subd. 3. Plan costs.** Directs the education commissioner to use existing department of education resources to develop the data security plan.

## Section

**Subd. 4. Plan implementation.** Prohibits the education commissioner from proceeding to implement the data security plan until July 1, 2017.

**37 Legislative auditor.** Asks the legislative auditor to perform a financial audit of the Perpich Center for Arts Education in 2016 and every four years thereafter.

Makes this section effective immediately.

**38 Revisor's instruction.** Directs the revisor to codify section 33 on the innovative delivery of career and technical programs and services.

**39 Repealer.** (a) Repeals: the definition of adequate yearly progress under Minnesota Statutes, section 120B.299, subdivision 5; the language under Minnesota Statutes, section 122A.413, subdivision 3, directing a Q-Comp school or district to use an educational improvement plan for site accountability purposes; the Principals' Leadership Academy under Minnesota Statutes, section 122A.74; and an obsolete No Child Left Behind review under Minnesota Statutes, section 127A.095, subdivision 2. (Leaves in place a Minnesota Principals' Academy appropriation under Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision 23, in lieu of Minnesota Statutes, section 122A.74.)

(b) Repeals a direction under Minnesota Statutes, section 122A.413, subdivisions 1 and 2, directing a Q-Comp school or district to develop an educational improvement plan for site accountability purposes.

## **Article 3: Charter Schools**

**1 Application content.** (a) Requires an organization applying to be an approved authorizer to describe the organization's capacity to serve as an authorizer. Allows the commissioner to use information about specific individuals when approving an authorizer but not when reviewing an authorizer's performance.

(b) Allows a school district authorizer to satisfy the requirements for approval as an authorizer – demonstrating how chartering schools helps the applicant realize its mission and the applicant's capacity to serve as an authorizer – and the requirements governing a conflict of interest, an ongoing evaluation, or continuing education by submitting to the commissioner a written promise to comply with these requirements.

Makes this section effective immediately.

**2 Review by commissioner.** (a) Directs the education commissioner to review an authorizer's performance every five years, subject to paragraphs (b) and (c).

(b) and (c) Require the commissioner to use appropriate criteria, developed in consultation with stakeholders, to review the authorizer's performance. Require the education commissioner to minimize duplicative reporting to the extent practicable. Direct the commissioner, when reviewing an authorizer's performance, not to (1) fail to credit, (2) withhold points, or (3) otherwise penalize an authorizer for failing to charter additional schools or for the absence of complaints against the authorizer's chartered schools.

Makes this section effective immediately.

## Section

- 3**        **Withdrawal.** Makes a technical correction.
- 4**        **Contents.** (a) Provides for a pre-operational planning period instead of a pre-operational planning year.
- (b) Directs charter schools to design their programs to meet the world's best work force goals.
- 5**        **Mutual nonrenewal.** Allows a change in charter school authorizers if the governing board of an approved authorizer votes to withdraw as an authorizer for a reason unrelated to the statutory causes for not renewing or terminating a charter school contract. When pursuing a change in authorizers under this subdivision, requires the authorizer that is the party to the charter contract to inform the proposed authorizer about unmet contract outcomes, among other required information.
- 6**        **Annual public reports.** (b) Requires an authorizer to submit an annual public report to the education commissioner by January 15 for the previous school year ending June 30 that includes at least key indicators of school academic, operational, and financial performance.

## **Article 4: Special Education**

- 1**        **Planning for students' successful transition to postsecondary education and employment; personal learning plans.** (e) Indicates that if the individualized education program or standardized written plan of a student with disabilities meets the components of a plan required in this section, no additional plan is needed.
- 2**        **Qualified interpreters.** Strikes a reference to the resource center and substitutes and makes a technical correction to a reference to the state specialist for deaf and hard-of-hearing.
- 3**        **Eligibility.** Changes a reference from an individual interagency intervention plan to a standardized written plan.
- 4**        **Individualized education programs.** Indicates that if the individualized education program of a student with disabilities meets the components of a personal learning plan, no additional plan is needed.
- 5**        **Facilitated team meeting.** Makes a technical change to refer to a multiagency team.
- 6**        **Physical holding or seclusion.** (a) Requires a school, before secluding a student, to review and document in the student's individualized education program whether the student has any known medical or psychological conditions that might recommend against seclusion. Strikes obsolete language.
- (b) Directs school districts to provide the education department with data on incidents of seclusion and the students who are secluded. Requires the department to collect and publish the data. Directs the department to contact and provide technical assistance to a school district after reviewing the district's seclusion data. Substitutes references to prone restraints with references to seclusion.

Makes this section effective for the 2016-2017 school year and later.



## Section

- 7 Prohibitions.** Adds prone restraint to the list of prohibited restrictive procedures.  
Makes this section effective immediately.
- 8 Advisory committees.** (b) Requires the advisory committees for the deaf and hard-of-hearing and for the blind and visually impaired advisory committees to each review, approve, and submit a biennial report on eligible children’s education outcomes to the education commissioner, the legislature, and the Commission of Deaf, DeafBlind, and Hard-of-Hearing Minnesotans.

## Article 5: Facilities and Technology

### Overview

Conforms facilities and technology provisions to match the creation of the long-term facilities maintenance revenue program that was established by the 2015 Legislature. Many of these provisions replace school district authority under the health and safety revenue program with the same authority under the long-term facilities maintenance revenue program.

- 1 Definitions; eligible debt service.** Removes energy loans from the definition of eligible debt service.
- 2 Radon testing.** Clarifies that a school district’s costs associated with radon testing should be included in the district’s ten-year facility plan and are eligible expenses under the long-term facilities maintenance revenue program (radon testing was previously covered under a district’s health and safety program).
- 3 Facilities plan; long-term facilities maintenance revenue program.** Clarifies that a school district’s ten-year facilities plan must be updated annually and submitted to the commissioner of education by July 31 of each year.
- 4 Long-term facilities maintenance equalization revenue.** Clarifies the calculation of the portion of a school district’s long-term facilities maintenance revenue that is subject to equalization.
- 5 Long-term facilities maintenance equalized levy.** Clarifies that “average tax base per pupil unit” should be calculated using only school district pupil units (and not charter school pupil units) as the denominator.
- 6 Long-term facilities maintenance unequalized levy.** Defines a district’s long-term facilities maintenance unequalized levy as the difference between the district’s total long-term facilities maintenance revenue and the district’s long-term facilities maintenance equalized revenue.

## Section

- 7 Long-term facilities maintenance equalized aid.** Defines a school district's long-term facilities maintenance equalized aid as the difference between the district's long-term facilities maintenance equalized revenue and the district's long-term facilities maintenance equalized levy.
- 8 Allowed use for long-term facilities maintenance revenue.** Allows a school district to transfer any long-term facilities maintenance revenue from the general fund (where the program's revenue is currently held) to the district's debt redemption fund to make the principal and interest payments on any bonds issued for long-term facilities maintenance projects.
- 9 Restrictions on long-term facilities maintenance revenue.** Corrects an erroneous cross reference.
- 10 Bonds for building calamities.** Transfers the authority for a school district to issue general obligation bonds to fund a rebuilding project resulting from a building calamity (fire, flood, etc.) from the health and safety revenue program to the long-term facilities maintenance program.
- 11 Review and comment.** Specifically exempts long-term facilities maintenance projects that are already included in a district's ten-year plan from the facilities review and comment process.
- 12 Deficits; exemption.** Updates an obsolete reference from the capital expenditure fund (a fund that was eliminated about 20 years ago) to the reserve for operating capital account in the general fund.
- 13 Account transfer for reorganizing districts.** Clarifies that a school district that has reorganized (consolidating or dissolving) is prohibited from transferring funds out of its long-term facilities maintenance account in the general fund.
- 14 Elimination of reserve accounts.** Closes each district's health and safety accounts (as the program is replaced by the long-term facilities maintenance revenue program) as of June 30, 2019, and transfers any balances into the unassigned general fund. Transfers any balance remaining in the alternative facilities account to the long-term facilities maintenance account in the building construction fund as of June 30, 2016.
- 15 Energy conservation.** Eliminates obsolete references to energy conservation loans received prior to March 1, 1998.
- 16 Taconite payment and other reductions.** Replaces obsolete references to health and safety revenue with references to long-term facilities maintenance revenue.
- 17 Required debt service levy.** Clarifies that the required debt service levy does not include amounts necessary for repayment of three types of bonds that have separate revenue authority:
- (1) long-term facilities maintenance revenue bonds (§ 123B.595);
  - (2) bonds for certain capital equipment (§ 123B.61); and
  - (3) bonds for certain capital facilities (§ 123B.62).

**Section**

- 18**      **Repealer.** Repeals the following:
- ▶ § 123B.60, subd. 2. – health and safety revenue pledged for calamity bonds; and
  - ▶ § 123B.79, subds. 2 and 6. – obsolete school fund and account references for technical colleges and certain separation and retirement benefits.

**Article 6: Self-Sufficiency and Lifelong Learning**

- 1**      **Program requirements.** Indicates that an adult basic education program is for people who are not subject to compulsory attendance laws.
- 2**      **Program approval; adult basic education.** Clarifies that an adult basic education consortium may consist of school districts, nonprofit organizations, or both.