

SENATE
STATE OF MINNESOTA
NINETIETH SESSION

S.F. No. 1474

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DATE	D-PG	OFFICIAL STATUS
02/27/2017	789	Introduction and first reading
		Referred to E-12 Policy
03/13/2017		Comm report: To pass as amended and re-refer to E-12 Finance

1.1 A bill for an act

1.2 relating to education; authorizing school districts and charter schools to create

1.3 innovation zones; establishing a grant program; appropriating money; proposing

1.4 coding for new law in Minnesota Statutes, chapter 124D.

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

1.6 Section 1. [124D.99] INNOVATION ZONES.

1.7 Subdivision 1. Establishment; requirements for participation; innovation zone plans.

1.8 (a) The innovation zone program is established to improve student and school outcomes

1.9 consistent with the world's best workforce requirements under section 120B.11. Innovation

1.10 zone partnerships allow school districts and charter schools to research and implement

1.11 innovative education programming models designed to better prepare students for the world

1.12 of the 21st century.

1.13 (b) One or more school districts or charter schools may join together to form an innovation

1.14 zone partnership. The partnership may include other nonschool partners, including

1.15 postsecondary institutions, other units of local government, nonprofit organizations, and

1.16 for-profit organizations. An innovation zone plan must be collaboratively developed in

1.17 concert with the school's instructional staff.

1.18 (c) An innovation zone partnership must research and implement innovative education

1.19 programs and models that are based on proposed hypotheses. An innovation zone plan may

1.20 include an emerging practice not yet supported by peer-reviewed research. Examples of

1.21 innovation zone research may include, but are not limited to:

1.22 (1) personalized learning, allowing students to excel at their own pace and according to

1.23 their interests, aspirations, and unique needs;

2.1 (2) new approaches to evaluation and assessment, including reducing duplicative
2.2 assessments, using fully adaptive on- and off-grade assessments, and using assessments to
2.3 identify early targeted interventions;

2.4 (3) the use of competency outcomes rather than seat time and course completion to fulfill
2.5 standards, credits, and other graduation requirements;

2.6 (4) multidisciplinary, real-world, inquiry-based, student-directed models designed to
2.7 make learning more engaging and relevant, including documenting and validating learning
2.8 that takes place beyond the school day and school walls;

2.9 (5) models of instruction designed to close the achievement gap, including new models
2.10 for prekindergarten learners, age three to grade 3 models, English as a second language
2.11 models, early identification and prevention of mental health issues, and others;

2.12 (6) new partnerships between secondary schools and postsecondary institutions,
2.13 employers, or career training institutions enabling students to complete industry certifications,
2.14 postsecondary education credits, and other credentials;

2.15 (7) new methods of collaborative leadership including the expansion of schools where
2.16 teachers have larger professional roles;

2.17 (8) new ways to enhance parental and community involvement in learning;

2.18 (9) new models of professional development for educators including embedded
2.19 professional development; or

2.20 (10) new models in other areas such as whole child instruction, social-emotional skill
2.21 development, technology-based or blended learning, parent and community involvement,
2.22 professional development and mentoring, and models that increase the return on investment.

2.23 (d) An innovation zone plan submitted to the commissioner must describe:

2.24 (1) the role of each partner in the zone;

2.25 (2) the research methodology used for each proposed action in the plan;

2.26 (3) the exemptions from statutes and rules in subdivision 2 that the innovation zone
2.27 partnership will use;

2.28 (4) a timeline for implementing the plan; and

2.29 (5) how results of the plan will be disseminated.

3.1 The governing board for each partner must approve the innovation zone plan. Innovation
3.2 zone partnerships may, but are not required to, submit an implementation grant application
3.3 with their plan under subdivision 3.

3.4 (e) Upon unanimous approval of the initial innovation zone partners and approval of the
3.5 commissioner of education, the innovation zone partnership may extend membership to
3.6 other partners. A new partner's membership is effective 30 days after the innovation zone
3.7 partnership notifies the commissioner of the proposed change in membership unless the
3.8 commissioner disapproves the new partner's membership.

3.9 (f) Notwithstanding other law to the contrary, a school district or charter school
3.10 participating in an innovation zone partnership under this section continues to receive all
3.11 revenue and maintains its taxation authority in the same manner as before its participation
3.12 in the innovation zone partnership. The innovation zone school district and charter school
3.13 partners remain organized and governed by their respective school boards with general
3.14 powers under chapter 123B or 124E, and remain subject to any employment agreements
3.15 under chapters 122A and 179A. School district and charter school employees participating
3.16 in an innovation zone partnership remain employees of their respective school district or
3.17 charter school.

3.18 Subd. 2. **Exemptions from laws and rules.** Notwithstanding any law to the contrary,
3.19 an innovation zone partner with an approved plan is exempt from each of the following
3.20 state education laws and rules specifically identified in its plan:

3.21 (1) any law or rule a district-created, site-governed school under section 123B.045 is
3.22 exempt from;

3.23 (2) any statute or rule that the commissioner has granted exemption from to another
3.24 district or charter school;

3.25 (3) teacher and principal evaluations under sections 122A.40, subdivision 8, and 122A.41,
3.26 subdivision 5, provided that the innovation zone plan specifies an alternative evaluation
3.27 method;

3.28 (4) student attendance recording requiring more than one count each day;

3.29 (5) high school curricular or graduation requirements that may be met through the adult
3.30 learning programs provided under sections 124D.52, subdivision 9, and 126C.05, subdivision
3.31 15, paragraph (b), clause (i);

3.32 (6) individual course requirements under section 120B.021 for Algebra II for a student
3.33 if enrolled in a course in applied mathematics, science, technology, engineering, math, or

4.1 other learning experience determined by the innovation zone plan to be equivalent to Algebra
4.2 II, and that is aligned with that student's career plans;

4.3 (7) online learning program approval under section 124D.095, subdivision 7, if the
4.4 school district or charter school offers a course or program online combined with direct
4.5 access to a teacher for a portion of that course or program;

4.6 (8) restrictions on extended time revenue under section 126C.10, subdivision 2a, for a
4.7 student who meets the criteria of section 124D.68, subdivision 2;

4.8 (9) calendar and credit restrictions under section 120B.024 and related rules if the student
4.9 meets the graduation standards described in the innovation zone plan and the student
4.10 completes either a career certification or one or more years of postsecondary education; and

4.11 (10) any required hours of instruction in any class or subject area, measured by Carnegie
4.12 units or otherwise, for a student who is meeting all competencies consistent with the
4.13 graduation standards described in the innovation zone plan.

4.14 Subd. 3. **Planning and implementation grants.** (a) An innovation zone partnership
4.15 may submit an application for approval of the innovation zone plan, a planning grant, or an
4.16 implementation grant.

4.17 (b) An innovation zone partnership may submit its plan at any time to the commissioner
4.18 in the form and manner specified by the commissioner. The commissioner must approve
4.19 or reject the plan after reviewing the recommendation of the Innovation Zone Advisory
4.20 Panel. An initial innovation zone plan that has been rejected by the commissioner may be
4.21 resubmitted to the commissioner after the innovation zone partnership has modified the
4.22 plan to meet each individually identified objection.

4.23 (c) An application for an innovation zone planning grant may be submitted to the
4.24 commissioner at any time in the form and manner specified by the commissioner. The
4.25 planning grant application must:

4.26 (1) name each member of the partnership;

4.27 (2) identify the hypotheses or practices the innovation zone will implement based upon
4.28 the research and methodology design cited in the plan;

4.29 (3) describe how teachers and other educational staff from the affected school sites will
4.30 be included in the planning and implementation process;

4.31 (4) propose a timeline of activities to develop an implementation plan; and

4.32 (5) describe the planning process budget.

5.1 In any year in which funds are available, the commissioner must approve or reject the
5.2 planning grant application based on the recommendations of the Innovation Zone Advisory
5.3 Panel. A planning grant may be awarded for up to two years.

5.4 (d) An application for an implementation grant must be submitted by April 1 of any year
5.5 in the form and manner specified by the commissioner. An application for an implementation
5.6 grant must include all of the information included in the planning grant, describe how the
5.7 plan will be implemented, and include a detailed budget. By May 1 of each year, the
5.8 commissioner must approve or reject the grant application based on the recommendation
5.9 of the Innovation Zone Advisory Panel and the availability of funds. An implementation
5.10 grant may be awarded for up to four years and may be renewed. An innovation zone
5.11 partnership may apply for an implementation grant without having first applied for a planning
5.12 grant.

5.13 Subd. 4. **Innovation Zone Advisory Panel.** (a) The commissioner must establish and
5.14 convene an Innovation Zone Advisory Panel.

5.15 (b) The panel must be composed of 14 members. One member must be appointed by
5.16 each of the following organizations: Education Minnesota, Minnesota Association of
5.17 Secondary School Principals, Minnesota Elementary School Principals' Association,
5.18 Minnesota Association of School Administrators, Minnesota School Boards Association,
5.19 Minnesota Association of Charter Schools, Center for Applied Research and Educational
5.20 Improvement at the University of Minnesota, and the Office of Higher Education. Six
5.21 members must be appointed by the commissioner of education, three of whom must have
5.22 expertise in innovation and three must have expertise in evaluation and research.

5.23 (c) The panel must:

5.24 (1) review all innovation zone plans submitted for approval; and

5.25 (2) recommend planning and implementation grant amounts for each qualifying applicant.

5.26 Subd. 5. **Commissioner approval.** Upon review of the evidence submitted, the
5.27 commissioner may approve an innovation zone plan. Upon recommendation of the Innovation
5.28 Zone Advisory Panel, and subject to available appropriations, the commissioner shall award
5.29 planning and implementation grants to qualifying applicants. The commissioner shall
5.30 consider geographical distribution when awarding grants. Upon recommendation of the
5.31 Innovation Zone Advisory Panel, the commissioner may suspend or terminate an innovation
5.32 zone plan that fails to effectively implement the goals and objectives contained in its
5.33 application and according to its stated timeline.

6.1 Subd. 6. **Project evaluation, dissemination, and report to legislature.** Each innovation
 6.2 zone partnership must submit project data to the commissioner in the form and manner
 6.3 provided for in the approved application. At least once every two years, the commissioner
 6.4 must analyze each innovation zone's progress in realizing the objectives of the innovation
 6.5 zone partnership's plan. The commissioner must summarize and categorize innovation zone
 6.6 plans and submit a report to the education committees of the legislature by February 1 of
 6.7 each odd-numbered year. The report may include recommendations for improving this
 6.8 section and describe additional statutes and rules from which innovation zone partnerships
 6.9 may be exempt.

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

6.11 Sec. 2. **APPROPRIATIONS; INNOVATION ZONES.**

6.12 Subdivision 1. **Commissioner of education.** The sums indicated in this section are
 6.13 appropriated from the general fund to the commissioner of education for the fiscal years
 6.14 designated.

6.15 Subd. 2. **Planning grants.** (a) For innovation zone planning grants to school districts
 6.16 and charter schools:

6.17 \$ 2018

6.18 \$ 2019

6.19 (b) Each planning grant must not exceed \$.....

6.20 (c) Any balances under paragraph (a) are available until June 30, 2020.

6.21 Subd. 3. **Implementation grants.** (a) For innovation zone implementation grants:

6.22 \$ 2018

6.23 \$ 2019

6.24 (b) Each implementation grant must not exceed \$.....

6.25 (c) Any balances under paragraph (a) are available until June 30, 2020.

6.26 Subd. 4. **Administrative costs.** For Department of Education administrative costs,
 6.27 including the application review and approval process:

6.28 \$ 2018

6.29 \$ 2019

6.30 Any balance in the first year does not cancel but is available in the second year.