

**SENATE**  
**STATE OF MINNESOTA**  
**EIGHTY-NINTH SESSION**

**S.F. No. 1495**

(SENATE AUTHORS: WIGER)

DATE	D-PG	OFFICIAL STATUS
03/09/2015	605	Introduction and first reading Referred to Education
03/23/2015		Comm report: To pass as amended Rule 12.10: report of votes in committee Second reading

A bill for an act

1.1 relating to education; providing for policy for early childhood and kindergarten  
1.2 through grade 12 education, including general education, education excellence,  
1.3 special education, facilities and technology, early childhood education, libraries,  
1.4 and state agencies; amending Minnesota Statutes 2014, sections 16A.103,  
1.5 subdivision 1c; 120B.022, subdivisions 1, 1b; 120B.024, subdivision 2;  
1.6 120B.12, subdivision 2; 120B.125; 120B.30, subdivisions 1, 1a, 3, 4, by adding  
1.7 subdivisions; 120B.31, subdivision 2; 122A.31, subdivisions 1, 2; 122A.414,  
1.8 subdivision 3; 122A.60, subdivision 4; 123A.24, subdivision 1; 123B.77,  
1.9 subdivision 3; 123B.88, subdivision 1; 124D.09, subdivisions 5a, 9; 124D.10,  
1.10 subdivisions 3, 4, 8, 9, 12, 14, by adding a subdivision; 124D.128, subdivision  
1.11 1; 124D.165, subdivisions 2, 3, 4, by adding subdivisions; 124D.72; 124D.73,  
1.12 subdivisions 3, 4; 124D.74, subdivisions 1, 3, 6; 124D.75, subdivisions 1, 2,  
1.13 3, 9; 124D.76; 124D.78; 124D.79, subdivisions 1, 2; 124D.791, subdivision  
1.14 4; 125A.023, subdivisions 3, 4; 125A.027; 125A.21; 125A.28; 125A.63,  
1.15 subdivisions 4, 5; 125A.75, subdivision 9; 125A.76, subdivisions 1, 2c;  
1.16 125B.26, subdivision 2; 126C.10, subdivision 13a; 126C.13, subdivisions 3a,  
1.17 4; 126C.17, subdivisions 1, 2; 126C.48, subdivision 8; 127A.05, subdivision  
1.18 6, by adding a subdivision; 127A.49, subdivision 1; 127A.70, subdivision 1;  
1.19 134.20, subdivision 2; Laws 2014, chapter 312, article 16, section 15; repealing  
1.20 Minnesota Statutes 2014, sections 120B.128; 120B.35, subdivision 5; 125A.63,  
1.21 subdivisions 1, 2, 3; 126C.12, subdivision 6; 126C.41, subdivision 1.

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

**ARTICLE 1**

**GENERAL EDUCATION**

1.26 Section 1. Minnesota Statutes 2014, section 126C.10, subdivision 13a, is amended to  
1.27 read:

1.28 Subd. 13a. **Operating capital levy.** To obtain operating capital revenue for fiscal  
1.29 year 2015 and later, a district may levy an amount not more than the product of its  
1.30 operating capital revenue for the fiscal year times the lesser of one or the ratio of its

2.1 adjusted net tax capacity per adjusted ~~marginal-cost~~ pupil unit to the operating capital  
2.2 equalizing factor. The operating capital equalizing factor equals \$14,500.

2.3 **EFFECTIVE DATE.** This section is effective the day following final enactment for  
2.4 fiscal year 2015 and later.

2.5 Sec. 2. Minnesota Statutes 2014, section 126C.13, subdivision 3a, is amended to read:

2.6 Subd. 3a. **Student achievement rate.** The commissioner must establish the student  
2.7 achievement rate by ~~July 1~~ September 30 of each year for levies payable in the following  
2.8 year. The student achievement rate must be a rate, rounded up to the nearest hundredth of  
2.9 a percent, that, when applied to the adjusted net tax capacity for all districts, raises the  
2.10 amount specified in this subdivision. The student achievement rate must be the rate that  
2.11 raises \$20,000,000 for fiscal year 2015 and later years. The student achievement rate may  
2.12 not be changed due to changes or corrections made to a district's adjusted net tax capacity  
2.13 after the rate has been established.

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

2.15 Sec. 3. Minnesota Statutes 2014, section 126C.13, subdivision 4, is amended to read:

2.16 Subd. 4. **General education aid.** ~~(a) For fiscal years 2013 and 2014 only, a district's~~  
2.17 ~~general education aid is the sum of the following amounts:~~

2.18 ~~(1) general education revenue, excluding equity revenue, total operating capital~~  
2.19 ~~revenue, alternative teacher compensation revenue, and transition revenue;~~

2.20 ~~(2) operating capital aid under section 126C.10, subdivision 13b;~~

2.21 ~~(3) equity aid under section 126C.10, subdivision 30;~~

2.22 ~~(4) alternative teacher compensation aid under section 126C.10, subdivision 36;~~

2.23 ~~(5) transition aid under section 126C.10, subdivision 33;~~

2.24 ~~(6) shared time aid under section 126C.01, subdivision 7;~~

2.25 ~~(7) referendum aid under section 126C.17, subdivisions 7 and 7a; and~~

2.26 ~~(8) online learning aid according to section 124D.096.~~

2.27 ~~(b) For fiscal year 2015 and later, a district's general education aid equals:~~

2.28 (1) general education revenue, excluding operating capital revenue, equity revenue,  
2.29 local optional revenue, and transition revenue, minus the student achievement levy,  
2.30 multiplied times the ratio of the actual amount of student achievement levy levied to the  
2.31 permitted student achievement levy; plus

2.32 (2) operating capital aid under section 126C.10, subdivision 13b;

2.33 ~~(2)~~ (3) equity aid under section 126C.10, subdivision 30; plus

- 3.1 ~~(3)~~ (4) transition aid under section 126C.10, subdivision 33; plus  
 3.2 ~~(4)~~ (5) shared time aid under section 126C.10, subdivision 7; plus  
 3.3 ~~(5)~~ (6) referendum aid under section 126C.17, subdivisions 7 and 7a; plus  
 3.4 ~~(6)~~ (7) online learning aid under section 124D.096; plus  
 3.5 ~~(7)~~ (8) local optional aid according to section 126C.10, subdivision 2d, paragraph (d).

3.6 **EFFECTIVE DATE.** This section is effective for fiscal year 2015 and later.

3.7 Sec. 4. Minnesota Statutes 2014, section 126C.17, subdivision 1, is amended to read:

3.8 Subdivision 1. **Referendum allowance.** (a) A district's initial referendum allowance  
 3.9 equals the result of the following calculations:

3.10 (1) multiply the referendum allowance the district would have received for fiscal  
 3.11 year 2015 under Minnesota Statutes 2012, section 126C.17, subdivision 1, based on  
 3.12 elections held before July 1, 2013, by the resident marginal cost pupil units the district  
 3.13 would have counted for fiscal year 2015 under Minnesota Statutes 2012, section 126C.05;

3.14 (2) add to the result of clause (1) the adjustment the district would have received  
 3.15 under Minnesota Statutes 2012, section 127A.47, subdivision 7, paragraphs (a), (b), and  
 3.16 (c), based on elections held before July 1, 2013;

3.17 (3) divide the result of clause (2) by the district's adjusted pupil units for fiscal  
 3.18 year 2015;

3.19 (4) add to the result of clause (3) any additional referendum allowance per adjusted  
 3.20 pupil unit authorized by elections held between July 1, 2013, and December 31, 2013;

3.21 (5) add to the result in clause (4) any additional referendum allowance resulting from  
 3.22 inflation adjustments approved by the voters prior to January 1, 2014;

3.23 (6) subtract from the result of clause (5), the sum of a district's actual local optional  
 3.24 levy and local optional aid under section 126C.10, subdivision 2e, divided by the adjusted  
 3.25 pupil units of the district for that school year; and

3.26 (7) if the result of clause (6) is less than zero, set the allowance to zero.

3.27 (b) A district's referendum allowance equals the sum of the district's initial  
 3.28 referendum allowance, plus any new referendum allowance authorized between July 1,  
 3.29 2013, and December 31, 2013, under subdivision 9a, plus any additional referendum  
 3.30 allowance per adjusted pupil unit authorized after December 31, 2013, minus any  
 3.31 allowances expiring in fiscal year 2016 or later, provided that the allowance may not be  
 3.32 less than zero. For a district with more than one referendum allowance for fiscal year  
 3.33 2015 under Minnesota Statutes 2012, section 126C.17, the allowance calculated under  
 3.34 paragraph (a), clause (3), must be divided into components such that the same percentage  
 3.35 of the district's allowance expires at the same time as the old allowances would have

4.1 expired under Minnesota Statutes 2012, section 126C.17. For a district with more than one  
 4.2 allowance for fiscal year 2015 that expires in the same year, the reduction under paragraph  
 4.3 (a), clause (6), to offset local optional revenue shall be made first from any allowances that  
 4.4 do not have an inflation adjustment approved by the voters.

4.5 **EFFECTIVE DATE.** This section is effective the day following final enactment for  
 4.6 fiscal year 2015 and later.

4.7 Sec. 5. Minnesota Statutes 2014, section 126C.17, subdivision 2, is amended to read:

4.8 Subd. 2. **Referendum allowance limit.** (a) Notwithstanding subdivision 1, for  
 4.9 fiscal year 2015 and later, a district's referendum allowance must not exceed the annual  
 4.10 inflationary increase as calculated under paragraph (b) times the greatest of:

4.11 (1) \$1,845;

4.12 (2) the sum of the referendum revenue the district would have received for fiscal  
 4.13 year 2015 under Minnesota Statutes 2012, section 126C.17, subdivision 4, based on  
 4.14 elections held before July 1, 2013, and the adjustment the district would have received  
 4.15 under Minnesota Statutes 2012, section 127A.47, subdivision 7, paragraphs (a), (b), and  
 4.16 (c), based on elections held before July 1, 2013, divided by the district's adjusted pupil  
 4.17 units for fiscal year 2015;

4.18 (3) the product of the referendum allowance limit the district would have received  
 4.19 for fiscal year 2015 under Minnesota Statutes 2012, section 126C.17, subdivision 2, and  
 4.20 the resident marginal cost pupil units the district would have received for fiscal year 2015  
 4.21 under Minnesota Statutes 2012, section 126C.05, subdivision 6, plus the adjustment the  
 4.22 district would have received under Minnesota Statutes 2012, section 127A.47, subdivision  
 4.23 7, paragraphs (a), (b), and (c), based on elections held before July 1, 2013, divided by  
 4.24 the district's adjusted pupil units for fiscal year 2015; minus \$424 for a district receiving  
 4.25 local optional revenue under section 126C.10, subdivision 2d, paragraph (a), minus  
 4.26 \$212 for a district receiving local optional revenue under section 126C.10, subdivision  
 4.27 2d, paragraph (b); or

4.28 (4) for a newly reorganized district created after July 1, 2013, the referendum  
 4.29 revenue authority for each reorganizing district in the year preceding reorganization  
 4.30 divided by its adjusted pupil units for the year preceding reorganization.

4.31 (b) For purposes of this subdivision, for fiscal year 2016 and later, "inflationary  
 4.32 increase" means one plus the percentage change in the Consumer Price Index for urban  
 4.33 consumers, as prepared by the United States Bureau of Labor Standards, for the current  
 4.34 fiscal year to fiscal year 2015. For fiscal year 2016 and later, for purposes of paragraph (a),

5.1 clause (3), the inflationary increase equals one-fourth of the percentage increase in the  
5.2 formula allowance for that year compared with the formula allowance for fiscal year 2015.

5.3 **EFFECTIVE DATE.** This section is effective the day following final enactment for  
5.4 fiscal year 2015 and later.

5.5 Sec. 6. Minnesota Statutes 2014, section 126C.48, subdivision 8, is amended to read:

5.6 Subd. 8. **Taconite payment and other reductions.** (1) Reductions in levies  
5.7 pursuant to subdivision 1 must be made prior to the reductions in clause (2).

5.8 (2) Notwithstanding any other law to the contrary, districts that have revenue  
5.9 pursuant to sections 298.018; 298.225; 298.24 to 298.28, except an amount distributed  
5.10 under sections 298.26; 298.28, subdivision 4, paragraphs (c), clause (ii), and (d); 298.34 to  
5.11 298.39; 298.391 to 298.396; 298.405; 477A.15; and any law imposing a tax upon severed  
5.12 mineral values must reduce the levies authorized by this chapter and chapters 120B, 122A,  
5.13 123A, 123B, 124A, 124D, 125A, and 127A, excluding the student achievement levy  
5.14 under section 126C.13, subdivision 3b, by 95 percent of the sum of the previous year's  
5.15 revenue specified under this clause and the amount attributable to the same production  
5.16 year distributed to the cities and townships within the school district under section 298.28,  
5.17 subdivision 2, paragraph (c).

5.18 (3) The amount of any voter approved referendum, facilities down payment, and  
5.19 debt levies shall not be reduced by more than 50 percent under this subdivision, except  
5.20 that payments under section 298.28, subdivision 7a, may reduce the debt service levy by  
5.21 more than 50 percent. In administering this paragraph, the commissioner shall first reduce  
5.22 the nonvoter approved levies of a district; then, if any payments, severed mineral value  
5.23 tax revenue or recognized revenue under paragraph (2) remains, the commissioner shall  
5.24 reduce any voter approved referendum levies authorized under section 126C.17; then, if  
5.25 any payments, severed mineral value tax revenue or recognized revenue under paragraph  
5.26 (2) remains, the commissioner shall reduce any voter approved facilities down payment  
5.27 levies authorized under section 123B.63 and then, if any payments, severed mineral value  
5.28 tax revenue or recognized revenue under paragraph (2) remains, the commissioner shall  
5.29 reduce any voter approved debt levies.

5.30 (4) Before computing the reduction pursuant to this subdivision of the health and  
5.31 safety levy authorized by sections 123B.57 and 126C.40, subdivision 5, the commissioner  
5.32 shall ascertain from each affected school district the amount it proposes to levy under  
5.33 each section or subdivision. The reduction shall be computed on the basis of the amount  
5.34 so ascertained.

6.1 (5) To the extent the levy reduction calculated under paragraph (2) exceeds the  
 6.2 limitation in paragraph (3), an amount equal to the excess must be distributed from the  
 6.3 school district's distribution under sections 298.225, 298.28, and 477A.15 in the following  
 6.4 year to the cities and townships within the school district in the proportion that their  
 6.5 taxable net tax capacity within the school district bears to the taxable net tax capacity of  
 6.6 the school district for property taxes payable in the year prior to distribution. No city or  
 6.7 township shall receive a distribution greater than its levy for taxes payable in the year prior  
 6.8 to distribution. The commissioner of revenue shall certify the distributions of cities and  
 6.9 towns under this paragraph to the county auditor by September 30 of the year preceding  
 6.10 distribution. The county auditor shall reduce the proposed and final levies of cities and  
 6.11 towns receiving distributions by the amount of their distribution. Distributions to the cities  
 6.12 and towns shall be made at the times provided under section 298.27.

6.13 **Sec. 7. REPEALER.**

6.14 Minnesota Statutes 2014, section 126C.41, subdivision 1, is repealed.

6.15 **ARTICLE 2**

6.16 **EDUCATION EXCELLENCE**

6.17 Section 1. Minnesota Statutes 2014, section 120B.022, subdivision 1, is amended to  
 6.18 read:

6.19 Subdivision 1. **Elective standards.** A district must establish its own standards in the  
 6.20 ~~following subject areas:~~

6.21 ~~(1) career and technical education; and~~

6.22 ~~(2) A district must use the current world languages standards developed by the~~  
 6.23 American Council on the Teaching of Foreign Languages.

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

6.25 Sec. 2. Minnesota Statutes 2014, section 120B.022, subdivision 1b, is amended to read:

6.26 Subd. 1b. **State bilingual and multilingual seals.** (a) Consistent with efforts to  
 6.27 strive for the world's best workforce under sections 120B.11 and 124D.10, subdivision 8,  
 6.28 paragraph (u), and close the academic achievement and opportunity gap under sections  
 6.29 124D.861 and 124D.862, voluntary state bilingual and multilingual seals are established to  
 6.30 recognize high school graduates who demonstrate ~~level 3 functional native proficiency in~~  
 6.31 ~~listening, speaking, reading, and writing on either the Foreign Services Institute language~~  
 6.32 ~~proficiency tests~~ intermediate-high listening, speaking, reading, and writing on a validated  
 6.33 assessment based on the American Council for the Teaching of Foreign Languages

7.1 proficiency scale or on equivalent valid and reliable assessments in one or more languages  
7.2 in addition to English. American Sign Language is a language other than English for  
7.3 purposes of this subdivision and a world language for purposes of subdivision 1a.

7.4 (b) In addition to paragraph (a), to be eligible to receive a seal:

7.5 ~~(1) students must satisfactorily complete all required English language arts credits;~~  
7.6 ~~and.~~

7.7 ~~(2) students whose primary language is other than English must demonstrate mastery~~  
7.8 ~~of Minnesota's English language proficiency standards.~~

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

7.14 (d) School districts and charter schools, in consultation with regional centers  
7.15 of excellence under section 120B.115, must give students periodic opportunities to  
7.16 demonstrate their level of proficiency in listening, speaking, reading, and writing in a  
7.17 language in addition to English. Where valid and reliable assessments are unavailable, a  
7.18 school district or charter school may rely on a licensed foreign language immersion teacher  
7.19 or a nonlicensed community expert under section 122A.25 to assess a student's level of  
7.20 foreign, heritage, or indigenous language proficiency under this section. School districts  
7.21 and charter schools must maintain appropriate records to identify high school graduates  
7.22 eligible to receive the state bilingual or multilingual seal. The school district or charter  
7.23 school must affix the appropriate seal to the transcript of each high school graduate who  
7.24 meets the requirements of this subdivision and may affix the seal to the student's diploma. A  
7.25 school district or charter school must not charge the high school graduate a fee for this seal.

7.26 (e) A school district or charter school may award elective course credits in world  
7.27 languages to a student who demonstrates the requisite proficiency in a language other  
7.28 than English under this section.

7.29 (f) A school district or charter school may award community service credit to a  
7.30 student who demonstrates level 3 functional native proficiency in listening, speaking,  
7.31 reading, and writing in a language other than English and who participates in community  
7.32 service activities that are integrated into the curriculum, involve the participation of  
7.33 teachers, and support biliteracy in the school or local community.

7.34 (g) The commissioner must develop a Web page for the electronic delivery of these  
7.35 seals. The commissioner must list on the Web page those assessments that are equivalent  
7.36 to the Foreign Services Institute language proficiency tests.

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

8.6 Sec. 3. Minnesota Statutes 2014, section 120B.024, subdivision 2, is amended to read:

8.7 Subd. 2. **Credit equivalencies.** (a) A one-half credit of economics taught in a  
 8.8 school's agriculture education or business department may fulfill a one-half credit in  
 8.9 social studies under subdivision 1, clause (5), if the credit is sufficient to satisfy all of the  
 8.10 academic standards in economics.

8.11 (b) An agriculture science or career and technical education credit may fulfill the  
 8.12 ~~credit in chemistry or physics~~ or the elective science credit required under subdivision 1,  
 8.13 clause (4), if the credit meets the state ~~chemistry or physics, or district biology~~ physical  
 8.14 science, life science, earth and space science, chemistry, or physics academic standards or  
 8.15 a combination of these academic standards as approved by the district. An agriculture or  
 8.16 career and technical education credit may fulfill the credit in chemistry or physics required  
 8.17 under subdivision 1, clause (4), if the credit meets the state chemistry or physics academic  
 8.18 standards as approved by the district. A student must satisfy either all of the chemistry  
 8.19 academic standards or all of the physics academic standards prior to graduation. An  
 8.20 agriculture science or career and technical education credit may not fulfill the required  
 8.21 biology credit under subdivision 1, clause (4).

8.22 (c) A career and technical education credit may fulfill a mathematics or arts credit  
 8.23 requirement under subdivision 1, clause (2) or (6).

8.24 (d) An agriculture education teacher is not required to meet the requirements of  
 8.25 Minnesota Rules, part 3505.1150, subpart 1, item B, to meet the credit equivalency  
 8.26 requirements of paragraph (b) above.

8.27 Sec. 4. Minnesota Statutes 2014, section 120B.125, is amended to read:

8.28 **120B.125 PLANNING FOR STUDENTS' SUCCESSFUL TRANSITION**  
 8.29 **TO POSTSECONDARY EDUCATION AND EMPLOYMENT; PERSONAL**  
 8.30 **LEARNING PLANS.**

8.31 (a) Consistent with sections ~~120B.128~~, 120B.13, 120B.131, 120B.132, 120B.14,  
 8.32 120B.15, 120B.30, subdivision 1, paragraph (c), 125A.08, and other related sections,  
 8.33 school districts, beginning in the 2013-2014 school year, must assist all students by no  
 8.34 later than grade 9 to explore their educational, college, and career interests, aptitudes, and



9.1 aspirations and develop a plan for a smooth and successful transition to postsecondary  
9.2 education or employment. All students' plans must:

9.3 (1) provide a comprehensive plan to prepare for and complete a career and college  
9.4 ready curriculum by meeting state and local academic standards and developing career and  
9.5 employment-related skills such as team work, collaboration, creativity, communication,  
9.6 critical thinking, and good work habits;

9.7 (2) emphasize academic rigor and high expectations;

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

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

9.13 (5) help students access education and career options;

9.14 (6) integrate strong academic content into career-focused courses and applied and  
9.15 experiential learning opportunities and integrate relevant career-focused courses and  
9.16 applied and experiential learning opportunities into strong academic content;

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

9.21 (8) help identify collaborative partnerships among prekindergarten through grade  
9.22 12 schools, postsecondary institutions, economic development agencies, and local and  
9.23 regional employers that support students' transition to postsecondary education and  
9.24 employment and provide students with applied and experiential learning opportunities; and

9.25 (9) be reviewed and revised at least annually by the student, the student's parent or  
9.26 guardian, and the school or district to ensure that the student's course-taking schedule keeps  
9.27 the student making adequate progress to meet state and local academic standards and high  
9.28 school graduation requirements and with a reasonable chance to succeed with employment  
9.29 or postsecondary education without the need to first complete remedial course work.

9.30 (b) A school district may develop grade-level curricula or provide instruction that  
9.31 introduces students to various careers, but must not require any curriculum, instruction,  
9.32 or employment-related activity that obligates an elementary or secondary student to  
9.33 involuntarily select or pursue a career, career interest, employment goals, or related job  
9.34 training.

9.35 (c) Educators must possess the knowledge and skills to effectively teach all English  
9.36 learners in their classrooms. School districts must provide appropriate curriculum,

10.1 targeted materials, professional development opportunities for educators, and sufficient  
10.2 resources to enable English learners to become career and college ready.

10.3 (d) When assisting students in developing a plan for a smooth and successful  
10.4 transition to postsecondary education and employment, districts must recognize the unique  
10.5 possibilities of each student and ensure that the contents of each student's plan reflect the  
10.6 student's unique talents, skills, and abilities as the student grows, develops, and learns.

10.7 Sec. 5. Minnesota Statutes 2014, section 120B.30, subdivision 1, is amended to read:

10.8 Subdivision 1. **Statewide testing.** (a) The commissioner, with advice from experts  
10.9 with appropriate technical qualifications and experience and stakeholders, consistent with  
10.10 subdivision 1a, shall include in the comprehensive assessment system, for each grade  
10.11 level to be tested, state-constructed tests ~~developed as computer-adaptive reading and~~  
10.12 ~~mathematics assessments for students that are~~ aligned with the state's required academic  
10.13 standards under section 120B.021, include multiple choice questions, and are administered  
10.14 annually to all students:

10.15 (1) in mathematics grades 3, 5 through 7, 8 and 11;

10.16 (2) in reading, grades 3 through 5, 8, and 10; and

10.17 (3) in science, grades 5, 8, and once in high school. The high school test shall  
10.18 assess the life science standards.

10.19 Assessments under this section must comply with the requirements under the federal No  
10.20 Child Left Behind flexibility waiver. Before any change to state standardized assessment  
10.21 is effective, the Department of Education must attain a corresponding amendment to its  
10.22 federal flexibility waiver.

10.23 ~~(b) Reading and mathematics assessments for all students in grade 8 must be aligned~~  
10.24 ~~with the state's required reading and mathematics standards, be administered annually,~~  
10.25 ~~and include multiple choice questions. State-developed high school tests aligned with the~~  
10.26 ~~state's required academic standards under section 120B.021 and administered to all high~~  
10.27 ~~school students in a subject other than writing must include multiple choice questions. The~~  
10.28 ~~commissioner shall establish one or more months during which schools shall administer~~  
10.29 ~~the tests to students each school year. The commissioner shall determine the testing~~  
10.30 ~~process and order of administration.~~

10.31 (c) The state assessment system must be aligned to the most recent version of  
10.32 academic standards as described in section 120B.023 three school years from the effective  
10.33 date of the academic standards rule. The commissioner must not develop statewide  
10.34 assessments for academic standards in social studies, health and physical education, and  
10.35 the arts.

11.1 (d) For purposes of conforming with existing federal educational accountability  
 11.2 requirements, the commissioner must develop and implement computer-adaptive reading  
 11.3 and mathematics assessments for grades 3 through 8 and high school reading and  
 11.4 mathematics tests aligned with state academic standards, and science assessments under  
 11.5 paragraph (a), clause (2), that districts and sites must use to monitor student growth  
 11.6 toward achieving those standards.

11.7 (e) The commissioner must ensure that for annual computer-adaptive assessments:

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

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

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

11.16 (4) useful diagnostic information about areas of students' academic strengths and  
 11.17 weaknesses is available to teachers and school administrators for improving student  
 11.18 instruction and indicating the specific skills and concepts that should be introduced and  
 11.19 developed for students at given performance levels, organized by strands within subject  
 11.20 areas, and aligned to state academic standards.

11.21 Subd. 1c. **Assessment graduation requirements.** (†) (a) Students enrolled in  
 11.22 grade 8 through the 2009-2010 school year are eligible to be assessed under (†) (1) the  
 11.23 graduation-required assessment for diploma in reading, mathematics, or writing under  
 11.24 Minnesota Statutes 2012, section 120B.30, subdivision 1, paragraphs (c), clauses (1) and  
 11.25 (2), and (d), (†) (2) the WorkKeys job skills assessment, (†) (3) the Compass college  
 11.26 placement test, (†) (4) the ACT assessment for college admission, or (†) (5) a nationally  
 11.27 recognized armed services vocational aptitude test.

11.28 (2) (b) Students enrolled in grade 8 in the 2010-2011 or 2011-2012 school year  
 11.29 are eligible to be assessed under (†) (1) the graduation-required assessment for diploma  
 11.30 in reading, mathematics, or writing under Minnesota Statutes 2012, section 120B.30,  
 11.31 subdivision 1, paragraph (c), clauses (1) and (2), (†) (2) the WorkKeys job skills  
 11.32 assessment, (†) (3) the Compass college placement test, (†) (4) the ACT assessment for  
 11.33 college admission, or (†) (5) a nationally recognized armed services vocational aptitude test.

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

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

12.3 ~~(1) mathematics;~~

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

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

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

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

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

12.14 ~~(1) demonstrate understanding of required academic standards participation on a~~  
 12.15 ~~nationally normed college entrance exam, in grade 11 or 12;~~

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

12.24 ~~(3) (2)~~ consistent with this paragraph and section 120B.125, age-appropriate  
 12.25 exploration and planning activities and career assessments to encourage students to identify  
 12.26 personally relevant career interests and aptitudes and help students and their families  
 12.27 develop a regularly reexamined transition plan for postsecondary education or employment  
 12.28 without need for postsecondary remediation. Districts and schools, on an annual basis,  
 12.29 must use the career exploration elements to help students, beginning no later than grade 9,  
 12.30 and their families explore and plan for postsecondary education or careers based on the  
 12.31 students' interests, aptitudes, and aspirations. Districts and schools must use timely regional  
 12.32 labor market information and partnerships, among other resources, to help students and  
 12.33 their families successfully develop, pursue, review, and revise an individualized plan for  
 12.34 postsecondary education or a career. This process must help increase students' engagement  
 12.35 in and connection to school, improve students' knowledge and skills, and deepen students'  
 12.36 understanding of career pathways as a sequence of academic and career courses that lead

13.1 to an industry-recognized credential, an associate's degree, or a bachelor's degree and are  
 13.2 available to all students, whatever their interests and career goals.

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

13.6 ~~Expectations of schools, districts, and the state for career or college readiness under this~~  
 13.7 ~~subdivision must be comparable in rigor, clarity of purpose, and rates of student completion.~~

13.8 (f) A high school student under clause (2) not yet ready for career and college must  
 13.9 receive targeted, relevant, academically rigorous, and resourced instruction, which may  
 13.10 include a targeted instruction and intervention plan focused on improving the student's  
 13.11 knowledge and skills in core subjects so that the student has a reasonable chance to succeed  
 13.12 in a career or college without need for postsecondary remediation. Consistent with sections  
 13.13 120B.13, 124D.09, 124D.091, 124D.49, and related sections, an enrolling school or district  
 13.14 must actively encourage a student in grade 11 or 12 who is identified as academically  
 13.15 ready for a career or college to participate in courses and programs awarding college credit  
 13.16 to high school students. ~~Students are not required to achieve a specified score or level of~~  
 13.17 ~~proficiency on an assessment under this subdivision to graduate from high school.~~

13.18 ~~(d)~~ (g) To improve the secondary and postsecondary outcomes of all students, the  
 13.19 alignment between secondary and postsecondary education programs and Minnesota's  
 13.20 workforce needs, and the efficiency and cost-effectiveness of secondary and postsecondary  
 13.21 programs, the commissioner, after consulting with the chancellor of the Minnesota State  
 13.22 Colleges and Universities and using a request for proposal process, shall contract for  
 13.23 ~~a series of assessments that are consistent with this subdivision, aligned with state~~  
 13.24 ~~academic standards, and include career and college readiness benchmarks. Mathematics,~~  
 13.25 ~~reading, and writing assessments for students in grades 8 and 10 must be predictive of a~~  
 13.26 ~~nationally normed assessment for career and college readiness. This nationally recognized~~  
 13.27 ~~assessment must be a college entrance exam and given to students in grade 11. This~~  
 13.28 ~~series of assessments must include a college placement diagnostic exam and contain~~  
 13.29 ~~career exploration elements.~~ The commissioner and the chancellor of the Minnesota  
 13.30 State Colleges and Universities must collaborate in aligning instruction and assessments  
 13.31 for adult basic education students and English learners to provide the students with  
 13.32 diagnostic information about any targeted interventions, accommodations, modifications,  
 13.33 and supports they need so that assessments and other performance measures are accessible  
 13.34 to them and they may seek postsecondary education or employment without need for  
 13.35 postsecondary remediation. When administering formative or summative assessments  
 13.36 used to measure the academic progress, including the oral academic development, of

14.1 English learners and inform their instruction, schools must ensure that the assessments are  
14.2 accessible to the students and students have the modifications and supports they need to  
14.3 sufficiently understand the assessments.

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

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

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

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

14.32 ~~(5) A study to determine the alignment between these assessments and state~~  
14.33 ~~academic standards under this chapter must be conducted. Where alignment exists, the~~  
14.34 ~~commissioner must seek federal approval to, and immediately upon receiving approval,~~  
14.35 ~~replace the federally required assessments referenced under subdivision 1a and section~~  
14.36 ~~120B.35, subdivision 2, with assessments under this paragraph.~~

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

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

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

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

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

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

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

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

16.1 ~~(3) state results on the American College Test; and~~  
 16.2 ~~(4) state results from participation in the National Assessment of Educational~~  
 16.3 ~~Progress so that the state can benchmark its performance against the nation and other~~  
 16.4 ~~states, and, where possible, against other countries, and contribute to the national effort~~  
 16.5 ~~to monitor achievement.~~

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

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

16.15 (l) Students are not required to achieve a specific score or level of proficiency on an  
 16.16 assessment under this subdivision to graduate from high school.

16.17 Sec. 6. Minnesota Statutes 2014, section 120B.30, subdivision 1a, is amended to read:

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

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

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

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

16.25 (4) "Above-grade level" test items contain subject area content that is above the  
 16.26 grade level of the student taking the assessment and is considered aligned with state  
 16.27 academic standards to the extent it is aligned with content represented in state academic  
 16.28 standards above the grade level of the student taking the assessment. Notwithstanding  
 16.29 the student's grade level, administering above-grade level test items to a student does not  
 16.30 violate the requirement that state assessments must be aligned with state standards.

16.31 (5) "Below-grade level" test items contain subject area content that is below the  
 16.32 grade level of the student taking the test and is considered aligned with state academic  
 16.33 standards to the extent it is aligned with content represented in state academic standards  
 16.34 below the student's current grade level. Notwithstanding the student's grade level,



17.1 administering below-grade level test items to a student does not violate the requirement  
17.2 that state assessments must be aligned with state standards.

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

17.6 ~~(b) The commissioner must use fully adaptive mathematics and reading assessments~~  
17.7 ~~for grades 3 through 7 beginning in the 2015-2016 school year and later.~~

17.8 ~~(c) For purposes of conforming with existing federal educational accountability~~  
17.9 ~~requirements, the commissioner must develop and implement computer-adaptive reading~~  
17.10 ~~and mathematics assessments for grades 3 through 7, state-developed grade 8 and high~~  
17.11 ~~school reading and mathematics tests aligned with state academic standards, and science~~  
17.12 ~~assessments under clause (2) that districts and sites must use to monitor student growth~~  
17.13 ~~toward achieving those standards. The commissioner must not develop statewide~~  
17.14 ~~assessments for academic standards in social studies, health and physical education, and~~  
17.15 ~~the arts. The commissioner must require:~~

17.16 ~~(1) annual computer-adaptive reading and mathematics assessments in grades 3~~  
17.17 ~~through 7, and grade 8 and high school reading and mathematics tests; and~~

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

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

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

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

17.28 ~~(3) parents, teachers, and school administrators are able to use elementary and~~  
17.29 ~~middle school student performance data to project students' secondary and postsecondary~~  
17.30 ~~achievement; and~~

17.31 ~~(4) useful diagnostic information about areas of students' academic strengths and~~  
17.32 ~~weaknesses is available to teachers and school administrators for improving student~~  
17.33 ~~instruction and indicating the specific skills and concepts that should be introduced and~~  
17.34 ~~developed for students at given performance levels, organized by strands within subject~~  
17.35 ~~areas, and aligned to state academic standards.~~

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

18.4           ~~(f) Reporting of state assessment results must:~~

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

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

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

18.9           (g) (c) Consistent with applicable federal law, the commissioner must include  
18.10 appropriate, technically sound accommodations or alternative assessments for the very  
18.11 few students with disabilities for whom statewide assessments are inappropriate and  
18.12 for English learners.

18.13           ~~(h) A school, school district, and charter school must administer statewide~~  
18.14 ~~assessments under this section, as the assessments become available, to evaluate student~~  
18.15 ~~progress toward career and college readiness in the context of the state's academic~~  
18.16 ~~standards. A school, school district, or charter school may use a student's performance~~  
18.17 ~~on a statewide assessment as one of multiple criteria to determine grade promotion or~~  
18.18 ~~retention. A school, school district, or charter school may use a high school student's~~  
18.19 ~~performance on a statewide assessment as a percentage of the student's final grade in a~~  
18.20 ~~course, or place a student's assessment score on the student's transcript.~~

18.21           Sec. 7. Minnesota Statutes 2014, section 120B.30, is amended by adding a subdivision  
18.22 to read:

18.23           Subd. 1b. **Special and extenuating circumstances.** The Department of Education  
18.24 shall develop a list of circumstances in which a student may be unable to test. The list  
18.25 shall include but not be limited to: students transferring to Minnesota from another state,  
18.26 students transferring from nonpublic to public school, students hospitalized, and parental  
18.27 opting out of the student's testing. Students unable to participate in statewide assessment  
18.28 due to a circumstance on the list authorized under this subdivision shall not be penalized  
18.29 for missing the opportunity to take a test.

18.30           Sec. 8. Minnesota Statutes 2014, section 120B.30, subdivision 3, is amended to read:

18.31           Subd. 3. **Reporting.** (a) The commissioner shall report test results publicly and  
18.32 to stakeholders, including the performance achievement levels developed from students'  
18.33 unweighted test scores in each tested subject and a listing of demographic factors that  
18.34 strongly correlate with student performance. The test results must not include personally

19.1 identifiable information as defined in Code of Federal Regulations, title 34, section 99.3.

19.2 The commissioner shall also report data that compares performance results among school  
19.3 sites, school districts, Minnesota and other states, and Minnesota and other nations. The  
19.4 commissioner shall disseminate to schools and school districts a more comprehensive  
19.5 report containing testing information that meets local needs for evaluating instruction and  
19.6 curriculum. The commissioner shall disseminate to charter school authorizers a more  
19.7 comprehensive report containing testing information that contains anonymized data where  
19.8 cell count data are sufficient to protect student identity and that meets the authorizer's  
19.9 needs in fulfilling its obligations under section 124D.10.

19.10 (b) Reporting of state assessment results must:

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

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

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

19.15 (c) The grade 3 through 7 computer-adaptive assessment results and grade 8 and  
19.16 high school test results shall be available to districts for diagnostic purposes affecting  
19.17 student learning and district instruction and curriculum, and for establishing educational  
19.18 accountability. The commissioner must establish empirically derived benchmarks on  
19.19 adaptive assessments in grades 3 through 7 that reveal a trajectory toward career and  
19.20 college readiness. The commissioner shall establish composite career and college-ready  
19.21 scores in grades 5, 8, and high school. The composite scores shall predict performance on  
19.22 a college entrance exam. The commissioner must disseminate to the public test results  
19.23 upon receiving those results.

19.24 (d) The commissioner shall include the following components in the statewide  
19.25 public reporting system:

19.26 (1) uniform statewide computer-adaptive assessments of all students in grades  
19.27 3 through 8 and high school levels that provide appropriate, technically sound  
19.28 accommodations or alternate assessments;

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

19.32 (3) state results on the ACT; and

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

20.1 Sec. 9. Minnesota Statutes 2014, section 120B.30, is amended by adding a subdivision  
20.2 to read:

20.3 Subd. 3a. **Administration and usage.** A school, school district, and charter school  
20.4 must administer statewide assessments under this section, as the assessments become  
20.5 available, to evaluate student progress toward career and college readiness in the context  
20.6 of the state's academic standards. A school, school district, or charter school may use a  
20.7 student's performance on a statewide assessment as one of multiple criteria to determine  
20.8 grade promotion or retention. A school, school district, or charter school may use a high  
20.9 school student's performance on a statewide assessment as a percentage of the student's  
20.10 final grade in a course, or place a student's assessment score on the student's transcript.

20.11 Sec. 10. Minnesota Statutes 2014, section 120B.30, subdivision 4, is amended to read:

20.12 Subd. 4. **Access to tests.** Consistent with section 13.34, the commissioner must  
20.13 adopt and publish a policy to provide public and parental access for review of ~~basic~~  
20.14 ~~skills tests, Minnesota Comprehensive Assessments, or any other such statewide test~~  
20.15 ~~and assessment~~ developed assessments which would not compromise the objectivity or  
20.16 fairness of the testing or examination process. Upon receiving a written request, the  
20.17 commissioner must make available to parents or guardians a copy of their student's actual  
20.18 responses to the test questions for their review.

20.19 Sec. 11. Minnesota Statutes 2014, section 120B.31, subdivision 2, is amended to read:

20.20 Subd. 2. **Statewide testing.** Each school year, all school districts shall give a  
20.21 uniform statewide test to students at specified grades to provide information on the status,  
20.22 needs and performance of Minnesota students, consistent with section 120B.30.

20.23 Sec. 12. Minnesota Statutes 2014, section 124D.09, subdivision 5a, is amended to read:

20.24 Subd. 5a. **Authorization; career or technical education.** A 10th, 11th, or 12th  
20.25 grade pupil enrolled in a district or an American Indian-controlled tribal contract or grant  
20.26 school eligible for aid under section 124D.83, except a foreign exchange pupil enrolled in  
20.27 a district under a cultural exchange program, may enroll in a career or technical education  
20.28 course offered by a Minnesota state college or university. A 10th grade pupil applying  
20.29 for enrollment in a career or technical education course under this subdivision must have  
20.30 received a passing score on the 8th grade Minnesota Comprehensive Assessment in  
20.31 reading as a condition of enrollment. A current 10th grade pupil who did not take the 8th  
20.32 grade Minnesota Comprehensive Assessment in reading may substitute another reading  
20.33 assessment accepted by the enrolling postsecondary institution. A secondary pupil may

21.1 enroll in the pupil's first postsecondary options enrollment course under this subdivision.  
 21.2 A student who is refused enrollment by a Minnesota state college or university under this  
 21.3 subdivision may apply to an eligible institution offering a career or technical education  
 21.4 course. The postsecondary institution must give priority to its students according to  
 21.5 subdivision 9. If a secondary student receives a grade of "C" or better in the career or  
 21.6 technical education course taken under this subdivision, the postsecondary institution  
 21.7 must allow the student to take additional postsecondary courses for secondary credit at  
 21.8 that institution, not to exceed the limits in subdivision 8. A "career or technical course" is  
 21.9 a course that is part of a career and technical education program that provides individuals  
 21.10 with coherent, rigorous content aligned with academic standards and relevant technical  
 21.11 knowledge and skills needed to prepare for further education and careers in current and  
 21.12 emerging professions and provide technical skill proficiency, an industry recognized  
 21.13 credential, and a certificate, a diploma, or an associate degree.

21.14 Sec. 13. Minnesota Statutes 2014, section 124D.09, subdivision 9, is amended to read:

21.15 Subd. 9. **Enrollment priority.** (a) A postsecondary institution shall give priority to  
 21.16 its postsecondary students when enrolling 10th, 11th, and 12th grade pupils in its courses.  
 21.17 A postsecondary institution may provide information about its programs to a secondary  
 21.18 school or to a pupil or parent and it may advertise or otherwise recruit or solicit a secondary  
 21.19 pupil to enroll in its programs on educational and programmatic grounds only except,  
 21.20 notwithstanding other law to the contrary, and for the 2014-2015 through 2019-2020  
 21.21 school years only, an eligible postsecondary institution may advertise or otherwise recruit  
 21.22 or solicit a secondary pupil residing in a school district with 700 students or more in grades  
 21.23 10, 11, and 12, to enroll in its programs on educational, programmatic, or financial grounds.

21.24 (b) An institution must not enroll secondary pupils, for postsecondary enrollment  
 21.25 options purposes, in remedial, developmental, or other courses that are not college level  
 21.26 except when a student eligible to participate and enrolled in the graduation incentives  
 21.27 program under section 124D.68 enrolls full time in a middle or early college program. A  
 21.28 middle or early college program must be specifically designed to allow the student to earn  
 21.29 dual high school and college credit with a well-defined pathway to allow the student to earn  
 21.30 a postsecondary degree or credential. In this case, the student shall receive developmental  
 21.31 college credit and not college credit for completing remedial or developmental courses.

21.32 (c) Once a pupil has been enrolled in any postsecondary course under this section,  
 21.33 the pupil shall not be displaced by another student.

21.34 ~~(b)~~ (d) If a postsecondary institution enrolls a secondary school pupil in a course  
 21.35 under this section, the postsecondary institution also must enroll in the same course an

22.1 otherwise enrolled and qualified postsecondary student who qualifies as a veteran under  
22.2 section 197.447, and demonstrates to the postsecondary institution's satisfaction that the  
22.3 institution's established enrollment timelines were not practicable for that student.

22.4 Sec. 14. Minnesota Statutes 2014, section 124D.10, subdivision 3, is amended to read:

22.5 Subd. 3. **Authorizer.** (a) For purposes of this section, the terms defined in this  
22.6 subdivision have the meanings given them.

22.7 "Application" to receive approval as an authorizer means the proposal an eligible  
22.8 authorizer submits to the commissioner under paragraph (c) before that authorizer is able  
22.9 to submit any affidavit to charter to a school.

22.10 "Application" under subdivision 4 means the charter school business plan a  
22.11 school developer submits to an authorizer for approval to establish a charter school that  
22.12 documents the school developer's mission statement, school purposes, program design,  
22.13 financial plan, governance and management structure, and background and experience,  
22.14 plus any other information the authorizer requests. The application also shall include a  
22.15 "statement of assurances" of legal compliance prescribed by the commissioner.

22.16 "Affidavit" means a written statement the authorizer submits to the commissioner  
22.17 for approval to establish a charter school under subdivision 4 attesting to its review and  
22.18 approval process before chartering a school.

22.19 (b) The following organizations may authorize one or more charter schools:

22.20 (1) a school board, intermediate school district school board, or education district  
22.21 organized under sections 123A.15 to 123A.19;

22.22 (2) a charitable organization under section 501(c)(3) of the Internal Revenue Code  
22.23 of 1986, excluding a nonpublic sectarian or religious institution; any person other than a  
22.24 natural person that directly or indirectly, through one or more intermediaries, controls,  
22.25 is controlled by, or is under common control with the nonpublic sectarian or religious  
22.26 institution; and any other charitable organization under this clause that in the federal IRS  
22.27 Form 1023, Part IV, describes activities indicating a religious purpose, that:

22.28 (i) is a member of the Minnesota Council of Nonprofits or the Minnesota Council on  
22.29 Foundations;

22.30 (ii) is registered with the attorney general's office; and

22.31 (iii) is incorporated in the state of Minnesota and has been operating continuously  
22.32 for at least five years but does not operate a charter school;

22.33 (3) a Minnesota private college, notwithstanding clause (2), that grants two- or  
22.34 four-year degrees and is registered with the Minnesota Office of Higher Education under  
22.35 chapter 136A; community college, state university, or technical college governed by the

23.1 Board of Trustees of the Minnesota State Colleges and Universities; or the University  
23.2 of Minnesota;

23.3 (4) a nonprofit corporation subject to chapter 317A, described in section 317A.905,  
23.4 and exempt from federal income tax under section 501(c)(6) of the Internal Revenue Code  
23.5 of 1986, may authorize one or more charter schools if the charter school has operated  
23.6 for at least three years under a different authorizer and if the nonprofit corporation has  
23.7 existed for at least 25 years; or

23.8 (5) single-purpose authorizers formed as charitable, nonsectarian organizations  
23.9 under section 501(c)(3) of the Internal Revenue Code of 1986 and incorporated in the state  
23.10 of Minnesota under chapter 317A as a corporation with no members or under section  
23.11 322B.975 as a nonprofit limited liability company for the sole purpose of chartering schools.  
23.12 Eligible organizations interested in being approved as an authorizer under this paragraph  
23.13 must submit a proposal to the commissioner that includes the provisions of paragraph (c)  
23.14 and a five-year financial plan. Such authorizers shall consider and approve charter school  
23.15 applications using the criteria provided in subdivision 4 and shall not limit the applications  
23.16 it solicits, considers, or approves to any single curriculum, learning program, or method.

23.17 (c) An eligible authorizer under this subdivision must apply to the commissioner for  
23.18 approval as an authorizer before submitting any affidavit to the commissioner to charter  
23.19 a school. The application for approval as a charter school authorizer must demonstrate  
23.20 the applicant's ability to implement the procedures and satisfy the criteria for chartering a  
23.21 school under this section. The commissioner must approve or disapprove an application  
23.22 within 45 business days of the application deadline. If the commissioner disapproves  
23.23 the application, the commissioner must notify the applicant of the specific deficiencies  
23.24 in writing and the applicant then has 20 business days to address the deficiencies to the  
23.25 commissioner's satisfaction. After the 20 business days expire, the commissioner has 15  
23.26 business days to make a final decision to approve or disapprove the application. Failing to  
23.27 address the deficiencies to the commissioner's satisfaction makes an applicant ineligible to  
23.28 be an authorizer. The commissioner, in establishing criteria for approval, must consider  
23.29 the applicant's:

- 23.30 (1) capacity and infrastructure;
- 23.31 (2) application criteria and process;
- 23.32 (3) contracting process;
- 23.33 (4) ongoing oversight and evaluation processes; and
- 23.34 (5) renewal criteria and processes.

23.35 (d) An applicant must include in its application to the commissioner to be an  
23.36 approved authorizer at least the following:

24.1 (1) how chartering schools is a way for the organization to carry out its mission;

24.2 (2) a description of the capacity of the organization to serve as an authorizer,  
24.3 including the personnel who will perform the authorizing duties, their qualifications, the  
24.4 amount of time they will be assigned to this responsibility, and the financial resources  
24.5 allocated by the organization to this responsibility;

24.6 (3) a description of the application and review process the authorizer will use to  
24.7 make decisions regarding the granting of charters;

24.8 (4) a description of the type of contract it will arrange with the schools it charters  
24.9 that meets the provisions of subdivision 6;

24.10 (5) the process to be used for providing ongoing oversight of the school consistent  
24.11 with the contract expectations specified in clause (4) that assures that the schools chartered  
24.12 are complying with both the provisions of applicable law and rules, and with the contract;

24.13 (6) a description of the criteria and process the authorizer will use to grant expanded  
24.14 applications under subdivision 4, paragraph (j);

24.15 (7) the process for making decisions regarding the renewal or termination of  
24.16 the school's charter based on evidence that demonstrates the academic, organizational,  
24.17 and financial competency of the school, including its success in increasing student  
24.18 achievement and meeting the goals of the charter school agreement; and

24.19 (8) an assurance specifying that the organization is committed to serving as an  
24.20 authorizer for the full five-year term.

24.21 (e) A disapproved applicant under this section may resubmit an application during a  
24.22 future application period.

24.23 (f) If the governing board of an approved authorizer votes to withdraw as an  
24.24 approved authorizer for a reason unrelated to any cause under subdivision 23, the  
24.25 authorizer must notify all its chartered schools and the commissioner in writing by July 15  
24.26 of its intent to withdraw as an authorizer on June 30 in the next calendar year, regardless  
24.27 of when the authorizer's five-year term of approval ends. The commissioner may approve  
24.28 the transfer of a charter school to a new authorizer under this paragraph after the new  
24.29 authorizer submits an affidavit to the commissioner.

24.30 (g) The authorizer must participate in department-approved training.

24.31 (h) The commissioner shall review an authorizer's performance every five years in  
24.32 a manner and form determined by the commissioner and may review an authorizer's  
24.33 performance more frequently at the commissioner's own initiative or at the request of a  
24.34 charter school operator, charter school board member, or other interested party. The  
24.35 commissioner, after completing the review, shall transmit a report with findings to the  
24.36 authorizer. If, consistent with this section, the commissioner finds that an authorizer has



25.1 not fulfilled the requirements of this section, the commissioner may subject the authorizer  
 25.2 to corrective action, which may include terminating the contract with the charter school  
 25.3 board of directors of a school it chartered. The commissioner must notify the authorizer  
 25.4 in writing of any findings that may subject the authorizer to corrective action and  
 25.5 the authorizer then has 15 business days to request an informal hearing before the  
 25.6 commissioner takes corrective action. If the commissioner terminates a contract between  
 25.7 an authorizer and a charter school under this paragraph, the commissioner may assist the  
 25.8 charter school in acquiring a new authorizer.

25.9 (i) The commissioner may at any time take corrective action against an authorizer,  
 25.10 including terminating an authorizer's ability to charter a school for:

25.11 (1) failing to demonstrate the criteria under paragraph (c) under which the  
 25.12 commissioner approved the authorizer;

25.13 (2) violating a term of the chartering contract between the authorizer and the charter  
 25.14 school board of directors;

25.15 (3) unsatisfactory performance as an approved authorizer; or

25.16 (4) any good cause shown that provides the commissioner a legally sufficient reason  
 25.17 to take corrective action against an authorizer.

25.18 Sec. 15. Minnesota Statutes 2014, section 124D.10, subdivision 4, is amended to read:

25.19 Subd. 4. **Formation of school.** (a) An authorizer, after receiving an application from  
 25.20 a school developer, may charter a licensed teacher under section 122A.18, subdivision  
 25.21 1, or a group of individuals that includes one or more licensed teachers under section  
 25.22 122A.18, subdivision 1, to operate a school subject to the commissioner's approval of the  
 25.23 authorizer's affidavit under paragraph (b). The school must be organized and operated as a  
 25.24 nonprofit corporation under chapter 317A and the provisions under the applicable chapter  
 25.25 shall apply to the school except as provided in this section.

25.26 Notwithstanding sections 465.717 and 465.719, a school district, subject to this  
 25.27 section and section 124D.11, may create a corporation for the purpose of establishing a  
 25.28 charter school.

25.29 (b) Before the operators may establish and operate a school, the authorizer must file  
 25.30 an affidavit with the commissioner stating its intent to charter a school. An authorizer  
 25.31 must file a separate affidavit for each school it intends to charter. An authorizer must file  
 25.32 an affidavit ~~by May 1 to be able to charter a new school in the next school year after the~~  
 25.33 ~~commissioner approves the authorizer's affidavit at least 14 months before July 1 of the~~  
 25.34 year the new charter school plans to serve students. The affidavit must state the terms and  
 25.35 conditions under which the authorizer would charter a school and how the authorizer

26.1 intends to oversee the fiscal and student performance of the charter school and to comply  
26.2 with the terms of the written contract between the authorizer and the charter school  
26.3 board of directors under subdivision 6. The commissioner must approve or disapprove  
26.4 the authorizer's affidavit within 60 business days of receipt of the affidavit. If the  
26.5 commissioner disapproves the affidavit, the commissioner shall notify the authorizer of  
26.6 the deficiencies in the affidavit and the authorizer then has 20 business days to address the  
26.7 deficiencies. The commissioner must notify the authorizer of final approval or disapproval  
26.8 within 15 business days after receiving the authorizer's response to the deficiencies in the  
26.9 affidavit. If the authorizer does not address deficiencies to the commissioner's satisfaction,  
26.10 the commissioner's disapproval is final. Failure to obtain commissioner approval precludes  
26.11 an authorizer from chartering the school that is the subject of this affidavit.

26.12 (c) The authorizer may prevent an approved charter school from opening for  
26.13 operation if, among other grounds, the charter school violates this section or does not meet  
26.14 the ready-to-open standards that are part of the authorizer's oversight and evaluation  
26.15 process or are stipulated in the charter school contract.

26.16 (d) The operators authorized to organize and operate a school, before entering into  
26.17 a contract or other agreement for professional or other services, goods, or facilities,  
26.18 must incorporate as a nonprofit corporation under chapter 317A and must establish a  
26.19 board of directors composed of at least five members who are not related parties until a  
26.20 timely election for members of the ongoing charter school board of directors is held  
26.21 according to the school's articles and bylaws under paragraph (f). A charter school board  
26.22 of directors must be composed of at least five members who are not related parties.  
26.23 Staff members employed at the school, including teachers providing instruction under a  
26.24 contract with a cooperative, members of the board of directors, and all parents or legal  
26.25 guardians of children enrolled in the school are the voters eligible to elect the members  
26.26 of the school's board of directors. A charter school must notify eligible voters of the  
26.27 school board election dates at least 30 days before the election. Board of director meetings  
26.28 must comply with chapter 13D.

26.29 (e) A charter school shall publish and maintain on the school's official Web site: (1)  
26.30 the minutes of meetings of the board of directors, and of members and committees having  
26.31 any board-delegated authority, for at least one calendar year from the date of publication;  
26.32 (2) directory information for members of the board of directors and committees having  
26.33 board-delegated authority; and (3) identifying and contact information for the school's  
26.34 authorizer. Identifying and contact information for the school's authorizer must be  
26.35 included in other school materials made available to the public. Upon request of an  
26.36 individual, the charter school must also make available in a timely fashion financial

27.1 statements showing all operations and transactions affecting income, surplus, and deficit  
27.2 during the school's last annual accounting period; and a balance sheet summarizing assets  
27.3 and liabilities on the closing date of the accounting period. A charter school also must  
27.4 include that same information about its authorizer in other school materials that it makes  
27.5 available to the public.

27.6 (f) Every charter school board member shall attend annual training throughout the  
27.7 member's term on the board. All new board members shall attend initial training on  
27.8 the board's role and responsibilities, employment policies and practices, and financial  
27.9 management. A new board member who does not begin the required initial training within  
27.10 six months after being seated and complete that training within 12 months of being seated  
27.11 on the board is automatically ineligible to continue to serve as a board member. The  
27.12 school shall include in its annual report the training attended by each board member  
27.13 during the previous year.

27.14 (g) The ongoing board must be elected before the school completes its third year of  
27.15 operation. Board elections must be held during the school year but may not be conducted  
27.16 on days when the school is closed for holidays, breaks, or vacations. The charter school  
27.17 board of directors shall be composed of at least five nonrelated members and include: (i)  
27.18 at least one licensed teacher employed as a teacher at the school or providing instruction  
27.19 under contract between the charter school and a cooperative; (ii) at least one parent or  
27.20 legal guardian of a student enrolled in the charter school who is not an employee of  
27.21 the charter school; and (iii) at least one interested community member who resides in  
27.22 Minnesota and is not employed by the charter school and does not have a child enrolled  
27.23 in the school. The board may include a majority of teachers described in this paragraph  
27.24 or parents or community members, or it may have no clear majority. The chief financial  
27.25 officer and the chief administrator may only serve as ex-officio nonvoting board members.  
27.26 No charter school employees shall serve on the board other than teachers under item (i).  
27.27 Contractors providing facilities, goods, or services to a charter school shall not serve on  
27.28 the board of directors of the charter school. Board bylaws shall outline the process and  
27.29 procedures for changing the board's governance structure, consistent with chapter 317A.  
27.30 A board may change its governance structure only:

27.31 (1) by a majority vote of the board of directors and a majority vote of the licensed  
27.32 teachers employed by the school as teachers, including licensed teachers providing  
27.33 instruction under a contract between the school and a cooperative; and

27.34 (2) with the authorizer's approval.

27.35 Any change in board governance structure must conform with the composition of  
27.36 the board established under this paragraph.

28.1 (h) The granting or renewal of a charter by an authorizer must not be conditioned  
28.2 upon the bargaining unit status of the employees of the school.

28.3 (i) The granting or renewal of a charter school by an authorizer must not be  
28.4 contingent on the charter school being required to contract, lease, or purchase services  
28.5 from the authorizer. Any potential contract, lease, or purchase of service from an  
28.6 authorizer must be disclosed to the commissioner, accepted through an open bidding  
28.7 process, and be a separate contract from the charter contract. The school must document  
28.8 the open bidding process. An authorizer must not enter into a contract to provide  
28.9 management and financial services for a school that it authorizes, unless the school  
28.10 documents that it received at least two competitive bids.

28.11 (j) A charter school may apply to the authorizer to amend the school charter to  
28.12 expand the operation of the school to additional grades or sites that would be students'  
28.13 primary enrollment site beyond those defined in the original affidavit approved by the  
28.14 commissioner. After approving the school's application, the authorizer shall submit a  
28.15 supplementary affidavit in the form and manner prescribed by the commissioner. The  
28.16 authorizer must file a supplement affidavit by October 1 to be eligible to expand in the next  
28.17 school year. The supplementary affidavit must document that the school has demonstrated  
28.18 to the satisfaction of the authorizer the following:

28.19 (1) the need for the expansion with supporting long-range enrollment projections;

28.20 (2) a longitudinal record of demonstrated student academic performance and growth  
28.21 on statewide assessments under chapter 120B or on other academic assessments that  
28.22 measure longitudinal student performance and growth approved by the charter school's  
28.23 board of directors and agreed upon with the authorizer;

28.24 (3) a history of sound school finances and a finance plan to implement the expansion  
28.25 in a manner to promote the school's financial sustainability; and

28.26 (4) board capacity and an administrative and management plan to implement its  
28.27 expansion.

28.28 (k) The commissioner shall have 30 business days to review and comment on the  
28.29 supplemental affidavit. The commissioner shall notify the authorizer in writing of any  
28.30 deficiencies in the supplemental affidavit and the authorizer then has 20 business days to  
28.31 address, to the commissioner's satisfaction, any deficiencies in the supplemental affidavit.  
28.32 The commissioner must notify the authorizer of final approval or disapproval within 15  
28.33 business days after receiving the authorizer's response to the deficiencies in the affidavit.  
28.34 The school may not expand grades or add sites until the commissioner has approved the  
28.35 supplemental affidavit. The commissioner's approval or disapproval of a supplemental  
28.36 affidavit is final.

29.1 Sec. 16. Minnesota Statutes 2014, section 124D.10, subdivision 8, is amended to read:

29.2 Subd. 8. **Federal, state, and local requirements.** (a) A charter school shall meet all  
29.3 federal, state, and local health and safety requirements applicable to school districts.

29.4 (b) A school must comply with statewide accountability requirements governing  
29.5 standards and assessments in chapter 120B.

29.6 (c) A school authorized by a school board may be located in any district, unless the  
29.7 school board of the district of the proposed location disapproves by written resolution.

29.8 (d) A charter school must be nonsectarian in its programs, admission policies,  
29.9 employment practices, and all other operations. An authorizer may not authorize a charter  
29.10 school or program that is affiliated with a nonpublic sectarian school or a religious  
29.11 institution. A charter school student must be released for religious instruction, consistent  
29.12 with section 120A.22, subdivision 12, clause (3).

29.13 (e) Charter schools must not be used as a method of providing education or  
29.14 generating revenue for students who are being home-schooled. This paragraph does not  
29.15 apply to shared time aid under section 126C.19.

29.16 (f) The primary focus of a charter school must be to provide a comprehensive  
29.17 program of instruction for at least one grade or age group from five through 18 years of  
29.18 age. Instruction may be provided to people older than 18 years of age. A charter school  
29.19 may offer a free or fee-based preschool or prekindergarten that meets high-quality early  
29.20 learning instructional program standards that are aligned with Minnesota's early learning  
29.21 standards for children.

29.22 (g) Except as provided in paragraph (f), a charter school may not charge tuition.

29.23 (h) A charter school is subject to and must comply with chapter 363A and section  
29.24 121A.04.

29.25 (i) Once a student is enrolled in the school, the student is considered enrolled in the  
29.26 school until the student formally withdraws or is expelled under the Pupil Fair Dismissal  
29.27 Act in sections 121A.40 to 121A.56. A charter school is subject to and must comply with  
29.28 the Pupil Fair Dismissal Act, sections 121A.40 to 121A.56, and the Minnesota Public  
29.29 School Fee Law, sections 123B.34 to 123B.39.

29.30 (j) A charter school is subject to the same financial audits, audit procedures, and  
29.31 audit requirements as a district, except as required under subdivision 6a. Audits must be  
29.32 conducted in compliance with generally accepted governmental auditing standards, the  
29.33 federal Single Audit Act, if applicable, and section 6.65. A charter school is subject  
29.34 to and must comply with sections 15.054; 118A.01; 118A.02; 118A.03; 118A.04;  
29.35 118A.05; 118A.06; 471.38; 471.391; 471.392; and 471.425. The audit must comply with  
29.36 the requirements of sections 123B.75 to 123B.83, except to the extent deviations are

30.1 necessary because of the program at the school. Deviations must be approved by the  
30.2 commissioner and authorizer. The Department of Education, state auditor, legislative  
30.3 auditor, or authorizer may conduct financial, program, or compliance audits. A charter  
30.4 school determined to be in statutory operating debt under sections 123B.81 to 123B.83  
30.5 must submit a plan under section 123B.81, subdivision 4.

30.6 (k) A charter school is a district for the purposes of tort liability under chapter 466.

30.7 (l) A charter school must comply with chapters 13 and 13D; and sections 120A.22,  
30.8 subdivision 7; 121A.75; and 260B.171, subdivisions 3 and 5.

30.9 (m) A charter school is subject to the Pledge of Allegiance requirement under  
30.10 section 121A.11, subdivision 3.

30.11 (n) A charter school offering online courses or programs must comply with section  
30.12 124D.095.

30.13 (o) A charter school and charter school board of directors are subject to chapter 181.

30.14 (p) A charter school must comply with section 120A.22, subdivision 7, governing  
30.15 the transfer of students' educational records and sections 138.163 and 138.17 governing  
30.16 the management of local records.

30.17 (q) A charter school that provides early childhood health and developmental  
30.18 screening must comply with sections 121A.16 to 121A.19.

30.19 (r) A charter school that provides school-sponsored youth athletic activities must  
30.20 comply with section 121A.38.

30.21 (s) A charter school is subject to and must comply with continuing truant notification  
30.22 under section 260A.03.

30.23 (t) A charter school must develop and implement a teacher evaluation and peer  
30.24 review process under section 122A.40, subdivision 8, paragraph (b), clauses (2) to  
30.25 (13). The teacher evaluation process in this paragraph does not create any additional  
30.26 employment rights for teachers.

30.27 (u) A charter school must adopt a policy, plan, budget, and process, consistent with  
30.28 section 120B.11, to review curriculum, instruction, and student achievement and strive  
30.29 for the world's best workforce.

30.30 (v) A charter school must comply with section 121A.031 governing policies on  
30.31 prohibited conduct.

30.32 (w) A charter school must comply with all pupil transportation requirements in  
30.33 section 123B.88, subdivision 1. A charter school must not require parents to surrender  
30.34 their rights to pupil transportation under section 123B.88, subdivision 2.

30.35 Sec. 17. Minnesota Statutes 2014, section 124D.10, subdivision 9, is amended to read:

- 31.1 Subd. 9. **Admission requirements.** (a) A charter school may limit admission to:
- 31.2 (1) pupils within an age group or grade level;
- 31.3 (2) pupils who are eligible to participate in the graduation incentives program under
- 31.4 section 124D.68; or
- 31.5 (3) residents of a specific geographic area in which the school is located when the
- 31.6 majority of students served by the school are members of underserved populations.
- 31.7 (b) A charter school shall enroll an eligible pupil who submits a timely application,
- 31.8 unless the number of applications exceeds the capacity of a program, class, grade level, or
- 31.9 building. In this case, pupils must be accepted by lot. The charter school must develop
- 31.10 and publish, including on its Web site, a lottery policy and process that it must use when
- 31.11 accepting pupils by lot.
- 31.12 (c) A charter school shall give enrollment preference to a sibling of an enrolled pupil
- 31.13 and to a foster child of that pupil's parents and may give preference for enrolling children
- 31.14 of the school's staff before accepting other pupils by lot. A charter school that is located in
- 31.15 Duluth township in St. Louis County and admits students in kindergarten through grade
- 31.16 6 must give enrollment preference to students residing within a five-mile radius of the
- 31.17 school and to the siblings of enrolled children. ~~A If a charter school has a preschool or~~
- 31.18 ~~prekindergarten program under subdivision 8, paragraph (f), that is free to all participants,~~
- 31.19 the charter school may give enrollment preference to children currently enrolled in the
- 31.20 school's free preschool or prekindergarten program under subdivision 8, paragraph (f),
- 31.21 who are eligible to enroll in kindergarten in the next school year.
- 31.22 (d) A person shall not be admitted to a charter school (1) as a kindergarten pupil,
- 31.23 unless the pupil is at least five years of age on September 1 of the calendar year in which
- 31.24 the school year for which the pupil seeks admission commences; or (2) as a first grade
- 31.25 student, unless the pupil is at least six years of age on September 1 of the calendar year in
- 31.26 which the school year for which the pupil seeks admission commences or has completed
- 31.27 kindergarten; except that a charter school may establish ~~and publish on its Web site~~ a policy
- 31.28 for admission of selected pupils at an earlier age, consistent with the enrollment process
- 31.29 in paragraphs (b) and (c). If established, an early admissions policy must describe the
- 31.30 process and procedures for comprehensive evaluation in cognitive, social, and emotional
- 31.31 developmental domains to help determine the child's ability to meet kindergarten grade
- 31.32 expectations and progress to first grade in the subsequent year. The comprehensive
- 31.33 evaluation must use valid and reliable instrumentation, be aligned with state kindergarten
- 31.34 expectations, and include a parent report and teacher observations of the child's
- 31.35 knowledge, skills, and abilities. The early admissions policy must be made available to
- 31.36 parents in an accessible format and is subject to review by the commissioner of education.

32.1 (e) Except as permitted in paragraph (d), a charter school may not limit admission  
32.2 to pupils on the basis of intellectual ability, measures of achievement or aptitude, or  
32.3 athletic ability and may not establish any criteria or requirements for admission that are  
32.4 inconsistent with this subdivision.

32.5 (f) The charter school shall not distribute any services or goods of value to students,  
32.6 parents, or guardians as an inducement, term, or condition of enrolling a student in a  
32.7 charter school.

32.8 Sec. 18. Minnesota Statutes 2014, section 124D.10, subdivision 12, is amended to read:

32.9 Subd. 12. **Pupils with a disability.** A charter school must comply with sections  
32.10 125A.02, 125A.03 to 125A.24, ~~and~~ 125A.65, and 125A.75 and rules relating to the  
32.11 education of pupils with a disability as though it were a district.

32.12 **EFFECTIVE DATE.** This section is effective for fiscal year 2016 and later.

32.13 Sec. 19. Minnesota Statutes 2014, section 124D.10, subdivision 14, is amended to read:

32.14 Subd. 14. **Annual public reports.** (a) A charter school must publish an annual  
32.15 report approved by the board of directors. The annual report must at least include  
32.16 information on school enrollment, student attrition, governance and management, staffing,  
32.17 finances, academic performance, innovative practices and implementation, and future  
32.18 plans. A charter school may combine this report with the reporting required under section  
32.19 120B.11. A charter school must post the annual report on the school's official Web site. A  
32.20 charter school must also distribute the annual report by publication, mail, or electronic  
32.21 means to its authorizer, school employees, and parents and legal guardians of students  
32.22 enrolled in the charter school. The reports are public data under chapter 13.

32.23 (b) The commissioner shall establish specifications for an authorizer's annual public  
32.24 report that is part of the system to evaluate authorizer performance under subdivision  
32.25 3, paragraph (h). The report shall at least include key indicators of school academic,  
32.26 operational, and financial performance.

32.27 Sec. 20. Minnesota Statutes 2014, section 124D.10, is amended by adding a  
32.28 subdivision to read:

32.29 Subd. 24a. **Merger.** (a) Two or more charter schools may merge under chapter  
32.30 317A. The effective date of a merger must be July 1. The merged school must continue  
32.31 under the identity of one of the merging schools. A new charter contract under subdivision  
32.32 6 must be executed by July 1. The authorizer must submit to the commissioner a copy of  
32.33 the new signed charter contract within ten business days of its execution.



33.1 (b) Each merging school must submit a separate year-end report for the previous year  
 33.2 for that school only. After the final fiscal year of the premerger schools is closed out, the  
 33.3 fund balances and debts from the merging schools must be transferred to the merged school.

33.4 (c) The merged school is eligible to receive aid from programs requiring approved  
 33.5 applications equal to the sum of the aid of all of the merging schools. The merged school  
 33.6 is eligible to receive aid from programs based on previous years' enrollments equal to the  
 33.7 sum of the applicable enrollment of all of the merging schools.

33.8 Sec. 21. Minnesota Statutes 2014, section 124D.128, subdivision 1, is amended to read:

33.9 Subdivision 1. **Program established.** A learning year program provides instruction  
 33.10 throughout the year on an extended year calendar, extended school day calendar, or  
 33.11 both. ~~A pupil may participate in the program and accelerate attainment of grade level~~  
 33.12 ~~requirements or graduation requirements.~~ A learning year program may begin after the  
 33.13 close of the regular school year in June. The program may be for students in one or more  
 33.14 grade levels from kindergarten through grade 12.

33.15 Sec. 22. Minnesota Statutes 2014, section 124D.72, is amended to read:

33.16 **124D.72 POLICY.**

33.17 The legislature finds that a more adequate and relevant education is needed for  
 33.18 American Indian people in the state of Minnesota. The legislature recognizes the  
 33.19 unique educational and culturally related academic needs of American Indian people.  
 33.20 The legislature also is concerned about the lack of American Indian teachers as well as  
 33.21 other professionals in the state. Therefore, pursuant to the policy of the state to ensure  
 33.22 equal educational opportunity to every individual, it is the purpose of sections 124D.71  
 33.23 to 124D.82 to provide for American Indian education programs ~~specially~~ specifically  
 33.24 designed to meet these unique educational or culturally related academic needs or both.

33.25 Sec. 23. Minnesota Statutes 2014, section 124D.73, subdivision 3, is amended to read:

33.26 Subd. 3. ~~Advisory task force~~ **Tribal Nations Education Committee.** "Advisory  
 33.27 ~~task force~~" "Tribal Nations Education Committee" means the ~~state advisory task force~~  
 33.28 committee established through tribal directive that the commissioner seeks consultation  
 33.29 with on American Indian education programs, policy, and all matters pertaining to the  
 33.30 education of Minnesota's American Indian students.

33.31 Sec. 24. Minnesota Statutes 2014, section 124D.73, subdivision 4, is amended to read:

34.1 Subd. 4. **Participating school; American Indian school.** "Participating school"  
34.2 and "American Indian school" mean a school that:

34.3 (1) is not operated by a school district; ~~and~~

34.4 (2) is eligible for a grant under federal Title IV of the Indian VII of the Elementary  
34.5 and Secondary Education Act for the education of American Indian children; and

34.6 (3) is eligible for and receives any source of state aid.

34.7 Sec. 25. Minnesota Statutes 2014, section 124D.74, subdivision 1, is amended to read:

34.8 Subdivision 1. **Program described.** American Indian education programs are  
34.9 programs in public elementary and secondary schools, nonsectarian nonpublic, community,  
34.10 tribal, charter, or alternative schools enrolling American Indian children designed to:

34.11 (1) support postsecondary preparation for pupils;

34.12 (2) support the academic achievement of American Indian students ~~with identified~~  
34.13 ~~focus to improve reading and mathematic skills;~~

34.14 (3) make the curriculum ~~more~~ relevant to the needs, interests, indigenous language,  
34.15 and cultural heritage of American Indian pupils;

34.16 (4) provide positive reinforcement of the self-image of American Indian pupils;

34.17 (5) develop intercultural awareness among pupils, parents, and staff; and

34.18 (6) supplement, not supplant, state and federal educational and cocurricular programs.

34.19 ~~Program components may include: development of support components for students~~  
34.20 services designed to increase completion and graduation rates of American Indian  
34.21 students must include emphasis in the areas of academic achievement, retention, and  
34.22 attendance; ~~development of support components~~ services for staff, including in-service  
34.23 training and technical assistance in methods of teaching American Indian pupils; research  
34.24 projects, including ~~experimentation with~~ innovative teaching approaches and evaluation  
34.25 of methods of relating to American Indian pupils; provision of ~~personal and vocational~~  
34.26 career counseling to American Indian pupils; modification of curriculum, instructional  
34.27 methods, and administrative procedures to meet the needs of American Indian pupils; and  
34.28 supplemental instruction in American Indian language, literature, history, and culture.  
34.29 Districts offering programs may make contracts for the provision of program ~~components~~  
34.30 services by establishing cooperative liaisons with tribal programs and American Indian  
34.31 social service agencies. These programs may also be provided as components of early  
34.32 childhood and family education programs.

34.33 Sec. 26. Minnesota Statutes 2014, section 124D.74, subdivision 3, is amended to read:

35.1           Subd. 3. **Enrollment of other children; shared time enrollment.** To the extent  
35.2 it is economically feasible, a district or participating school may make provision for the  
35.3 voluntary enrollment of non-American Indian children in the instructional components of  
35.4 an American Indian education program in order that they may acquire an understanding of  
35.5 the cultural heritage of the American Indian children for whom that particular program is  
35.6 designed. However, in determining eligibility to participate in a program, priority must be  
35.7 given to American Indian children. American Indian children and other children enrolled  
35.8 in an existing nonpublic school system may be enrolled on a shared time basis in all  
35.9 academic, targeted services, and American Indian education programs.

35.10          Sec. 27. Minnesota Statutes 2014, section 124D.74, subdivision 6, is amended to read:

35.11           Subd. 6. **Nonverbal courses and extracurricular activities.** In predominantly  
35.12 nonverbal subjects, such as art, music, and physical education, American Indian children  
35.13 shall participate fully and on an equal basis with their ~~contemporaries~~ peers in school  
35.14 classes provided for these subjects. Every school district or participating school shall  
35.15 ensure to children enrolled in American Indian education programs an equal and  
35.16 meaningful opportunity to participate fully with other children in all extracurricular  
35.17 activities. This subdivision shall not be construed to prohibit instruction in nonverbal  
35.18 subjects or extracurricular activities which relate to the cultural heritage of the American  
35.19 Indian children, or which are otherwise necessary to accomplish the objectives described  
35.20 in sections 124D.71 to 124D.82.

35.21          Sec. 28. Minnesota Statutes 2014, section 124D.75, subdivision 1, is amended to read:

35.22           Subdivision 1. **American Indian language and culture education licenses.** The  
35.23 Board of Teaching, in consultation with the Tribal Nations Education Committee, must  
35.24 grant initial and continuing teaching licenses in American Indian language and culture  
35.25 education that bear the same duration as other initial and continuing licenses. The board  
35.26 must grant licenses to persons who present satisfactory evidence that they:

35.27           (1) possess competence in an American Indian language or possess unique  
35.28 qualifications relative to or knowledge and understanding of American Indian history  
35.29 and culture; or

35.30           (2) possess a bachelor's degree or other academic degree approved by the board or  
35.31 meet such requirements as to course of study and training as the board may prescribe, or  
35.32 possess such relevant experience as the board may prescribe.

35.33           This evidence may be presented by affidavits, tribal resolutions, or by such other  
35.34 methods as the board may prescribe. Individuals may present applications for licensure on

36.1 their own behalf or these applications may be submitted by the superintendent or other  
36.2 authorized official of a school district, participating school, or an American Indian school.

36.3 Sec. 29. Minnesota Statutes 2014, section 124D.75, subdivision 2, is amended to read:

36.4 Subd. 2. **Persons holding general teaching licenses.** A person holding a general  
36.5 teaching license who presents the board with satisfactory evidence of competence in an  
36.6 American Indian language, or deep knowledge and understanding of American Indian  
36.7 history and culture may be licensed under this section.

36.8 Sec. 30. Minnesota Statutes 2014, section 124D.75, subdivision 3, is amended to read:

36.9 Subd. 3. **Resolution or letter.** All persons applying for a license under this section  
36.10 must submit to the board a resolution or letter of support signed by an American Indian  
36.11 tribal government ~~or its designee~~. All persons holding a license under this section ~~on July~~  
36.12 ~~1, 1995~~, must have on file or file with the board a resolution or letter of support signed by  
36.13 a tribal government ~~or its designee by January 1, 1996, or the next renewal date of the~~  
36.14 ~~license thereafter~~.

36.15 Sec. 31. Minnesota Statutes 2014, section 124D.75, subdivision 9, is amended to read:

36.16 Subd. 9. **Affirmative efforts in hiring.** In hiring for all positions in these programs,  
36.17 school districts and participating schools shall give preference to and make affirmative  
36.18 efforts to seek, recruit, and employ persons who share the culture of the American Indian  
36.19 children who are enrolled in the program. The district or participating school ~~shall~~ must  
36.20 provide procedures for the involvement of the parent advisory committees in ~~designing~~  
36.21 ~~the procedures for~~ the recruitment, screening and selection of applicants. This subdivision  
36.22 shall not be construed to limit the school board's authority to hire and discharge personnel.

36.23 Sec. 32. Minnesota Statutes 2014, section 124D.76, is amended to read:

36.24 **124D.76 TEACHERS-AIDES; COMMUNITY COORDINATORS, INDIAN**  
36.25 **HOME/SCHOOL LIAISONS, PARAPROFESSIONALS.**

36.26 In addition to employing American Indian language and culture education teachers,  
36.27 each district or participating school providing programs pursuant to sections 124D.71 to  
36.28 124D.82 may employ ~~teachers'-aides~~ paraprofessionals. ~~Teachers'-aides~~ Paraprofessionals  
36.29 must not be employed for the purpose of supplanting American Indian language and  
36.30 culture education teachers.

36.31 Any district or participating school which conducts American Indian education  
36.32 programs pursuant to sections 124D.71 to 124D.82 must employ one or more full-time

37.1 or part-time community coordinators or Indian home/school liaisons if there are 100 or  
 37.2 more students enrolled in the ~~program~~ district. Community coordinators shall promote  
 37.3 communication understanding, and cooperation between the schools and the community  
 37.4 and shall visit the homes of children who are to be enrolled in an American Indian  
 37.5 education program in order to convey information about the program.

37.6 Sec. 33. Minnesota Statutes 2014, section 124D.78, is amended to read:

37.7 **124D.78 PARENT AND COMMUNITY PARTICIPATION.**

37.8 Subdivision 1. **Parent committee.** School boards and American Indian schools  
 37.9 must provide for the maximum involvement of parents of children enrolled in education  
 37.10 programs, programs for elementary and secondary grades, special education programs,  
 37.11 and support services. Accordingly, the board of a school district in which there are ten  
 37.12 or more American Indian ~~children~~ students enrolled and each American Indian school  
 37.13 must establish a an American Indian education parent advisory committee. If a committee  
 37.14 whose membership consists of a majority of parents of American Indian children has been  
 37.15 or is established according to federal, tribal, or other state law, that committee may serve  
 37.16 as the committee required by this section and is subject to, at least, the requirements of  
 37.17 this subdivision and subdivision 2.

37.18 The American Indian education parent advisory committee must develop its  
 37.19 recommendations in consultation with the curriculum advisory committee required by  
 37.20 section 120B.11, subdivision 3. This committee must afford parents the necessary  
 37.21 information and the opportunity effectively to express their views concerning all aspects  
 37.22 of American Indian education and the educational needs of the American Indian children  
 37.23 enrolled in the school or program. ~~The committee must also address the need for adult~~  
 37.24 ~~education programs for American Indian people in the community.~~ The school board or  
 37.25 American Indian school must ensure that programs are planned, operated, and evaluated  
 37.26 with the involvement of and in consultation with parents of ~~children~~ students served by  
 37.27 the programs.

37.28 Subd. 2. **Resolution of concurrence.** Prior to ~~December~~ March 1, the school  
 37.29 board or American Indian school must submit to the department a copy of a resolution  
 37.30 adopted by the American Indian education parent advisory committee. The copy must be  
 37.31 signed by the chair of the committee and must state whether the committee concurs with  
 37.32 the educational programs for American Indian ~~children~~ students offered by the school  
 37.33 board or American Indian school. If the committee does not concur with the educational  
 37.34 programs, the reasons for nonconcurrence and recommendations shall be submitted with  
 37.35 the resolution. By resolution, the board must respond in writing within 60 days, in cases

38.1 of nonconcurrency, to each recommendation made by the committee and state its reasons  
38.2 for not implementing the recommendations.

38.3 Subd. 3. **Membership.** The American Indian education parent advisory committee  
38.4 must be composed of parents of children eligible to be enrolled in American Indian  
38.5 education programs; secondary students eligible to be served; American Indian language  
38.6 and culture education teachers and ~~aides~~ paraprofessionals; American Indian teachers;  
38.7 counselors; adult American Indian people enrolled in educational programs; and  
38.8 representatives from community groups. A majority of each committee must be parents  
38.9 of children enrolled or eligible to be enrolled in the programs. The number of parents  
38.10 of American Indian and non-American Indian children shall reflect approximately the  
38.11 proportion of children of those groups enrolled in the programs.

38.12 Subd. 4. **Alternate committee.** If the organizational membership or the board  
38.13 of directors of an American Indian school consists of parents of children attending the  
38.14 school, that membership or board may serve also as the American Indian education parent  
38.15 advisory committee.

38.16 Sec. 34. Minnesota Statutes 2014, section 124D.79, subdivision 1, is amended to read:

38.17 Subdivision 1. **American Indian community involvement.** The commissioner  
38.18 must provide for the maximum involvement of the ~~state committees on American Indian~~  
38.19 ~~education~~ Tribal Nations Education Committee, parents of American Indian children,  
38.20 secondary students eligible to be served, American Indian language and culture education  
38.21 teachers, American Indian teachers, ~~teachers'~~ aides paraprofessionals, representatives of  
38.22 community groups, and persons knowledgeable in the field of American Indian education,  
38.23 in the formulation of policy and procedures relating to the administration of sections  
38.24 124D.71 to 124D.82. The commissioner must annually hold a field hearing on Indian  
38.25 education to gather input from American Indian educators, parents, and students on the  
38.26 state of American Indian education in Minnesota. Results of the hearing must be made  
38.27 available to all 11 tribal nations for review and comment.

38.28 Sec. 35. Minnesota Statutes 2014, section 124D.79, subdivision 2, is amended to read:

38.29 Subd. 2. **Technical assistance.** The commissioner shall provide technical assistance  
38.30 to districts, schools and postsecondary institutions for preservice and in-service training  
38.31 for teachers, American Indian education teachers and ~~teacher's aides~~, paraprofessionals  
38.32 specifically designed to implement culturally responsive teaching methods, culturally  
38.33 based curriculum development, testing and testing mechanisms, and the development of  
38.34 materials for American Indian education programs.

- 39.1 Sec. 36. Minnesota Statutes 2014, section 124D.791, subdivision 4, is amended to read:
- 39.2 Subd. 4. **Duties; powers.** The Indian education director shall:
- 39.3 (1) serve as the liaison for the department with the Tribal Nations Education
- 39.4 Committee, the 11 ~~reservations~~ tribal communities in Minnesota, the Minnesota Chippewa
- 39.5 tribe, and the Minnesota Indian Affairs Council, ~~and the Urban Advisory Council~~;
- 39.6 (2) evaluate the state of American Indian education in Minnesota;
- 39.7 (3) engage the tribal bodies, community groups, parents of children eligible to be
- 39.8 served by American Indian education programs, American Indian administrators and
- 39.9 teachers, persons experienced in the training of teachers for American Indian education
- 39.10 programs, the tribally controlled schools, and other persons knowledgeable in the field of
- 39.11 American Indian education and seek their advice on policies that can improve the quality
- 39.12 of American Indian education;
- 39.13 (4) advise the commissioner on American Indian education issues, including:
- 39.14 (i) issues facing American Indian students;
- 39.15 (ii) policies for American Indian education;
- 39.16 (iii) awarding scholarships to eligible American Indian students and in administering
- 39.17 the commissioner's duties regarding awarding of American Indian ~~postsecondary~~
- 39.18 ~~preparation~~ grants to school districts; and
- 39.19 (iv) administration of the commissioner's duties under sections 124D.71 to 124D.82
- 39.20 and other programs for the education of American Indian people;
- 39.21 (5) propose to the commissioner legislative changes that will improve the quality
- 39.22 of American Indian education;
- 39.23 (6) develop a strategic plan and a long-term framework for American Indian
- 39.24 education, in conjunction with the Minnesota Indian Affairs Council, that is updated every
- 39.25 five years and implemented by the commissioner, with goals to:
- 39.26 (i) increase American Indian student achievement, including increased levels of
- 39.27 proficiency and growth on statewide accountability assessments;
- 39.28 (ii) increase the number of American Indian teachers in public schools;
- 39.29 (iii) close the achievement gap between American Indian students and their more
- 39.30 advantaged peers;
- 39.31 (iv) increase the statewide graduation rate for American Indian students; and
- 39.32 (v) increase American Indian student placement in postsecondary programs and
- 39.33 the workforce; and
- 39.34 (7) keep the American Indian community informed about the work of the department
- 39.35 by reporting to the Tribal Nations Education Committee at each committee meeting.

40.1 Sec. 37. Laws 2014, chapter 312, article 16, section 15, is amended to read:

40.2 Sec. 15. **TEACHER DEVELOPMENT AND EVALUATION REVENUE.**

40.3 (a) For fiscal year 2015 only, teacher development and evaluation revenue for a  
 40.4 school district, intermediate school district, or charter school with any school that does  
 40.5 not have an alternative professional pay system agreement under Minnesota Statutes,  
 40.6 section 122A.414, subdivision 2, equals \$302 times the number of full-time equivalent  
 40.7 teachers employed on October 1 of the previous school year in each school without  
 40.8 an alternative professional pay system under Minnesota Statutes, section 122A.414,  
 40.9 subdivision 2. Except for charter schools, revenue under this section must be reserved for  
 40.10 teacher development and evaluation activities consistent with Minnesota Statutes, section  
 40.11 122A.40, subdivision 8, or Minnesota Statutes, section 122A.41, subdivision 5. For the  
 40.12 purposes of this section, "teacher" has the meaning given it in Minnesota Statutes, section  
 40.13 122A.40, subdivision 1, or Minnesota Statutes, section 122A.41, subdivision 1.

40.14 (b) Notwithstanding paragraph (a), the state total teacher development and evaluation  
 40.15 revenue entitlement must not exceed \$10,000,000 for fiscal year 2015. The commissioner  
 40.16 must limit the amount of revenue under this section so as not to exceed this limit.

40.17 **EFFECTIVE DATE.** This section is effective for fiscal year 2015.

40.18 Sec. 38. **REPEALER.**

40.19 Minnesota Statutes 2014, sections 120B.128; 120B.35, subdivision 5; and 126C.12,  
 40.20 subdivision 6, are repealed.

### 40.21 **ARTICLE 3**

#### 40.22 **SPECIAL PROGRAMS**

40.23 Section 1. Minnesota Statutes 2014, section 122A.31, subdivision 1, is amended to read:

40.24 Subdivision 1. **Requirements for American sign language/English interpreters.**

40.25 (a) In addition to any other requirements that a school district establishes, any person  
 40.26 employed to provide American sign language/English interpreting or sign transliterating  
 40.27 services on a full-time or part-time basis for a school district after July 1, 2000, must:

40.28 (1) hold current interpreter and transliterator certificates awarded by the Registry  
 40.29 of Interpreters for the Deaf (RID), or the general level interpreter proficiency certificate  
 40.30 awarded by the National Association of the Deaf (NAD), or a comparable state  
 40.31 certification from the commissioner of education; and

40.32 (2) satisfactorily complete an interpreter/transliterator training program affiliated  
 40.33 with an accredited educational institution.



41.1 (b) New graduates of an interpreter/transliterators program affiliated with an  
41.2 accredited education institution shall be granted a two-year provisional certificate by  
41.3 the commissioner. During the two-year provisional period, the interpreter/transliterators  
41.4 must develop and implement an education plan in collaboration with a mentor under  
41.5 paragraph (c).

41.6 (c) A mentor of a provisionally certified interpreter/transliterators must be an  
41.7 interpreter/transliterators who has either NAD level IV or V certification or RID  
41.8 certified interpreter and certified transliterators certification and have at least three  
41.9 years interpreting/transliterating experience in any educational setting. The mentor, in  
41.10 collaboration with the provisionally certified interpreter/transliterators, shall develop and  
41.11 implement an education plan designed to meet the requirements of paragraph (a), clause  
41.12 (1), and include a weekly on-site mentoring process.

41.13 (d) Consistent with the requirements of this paragraph, a person holding a  
41.14 provisional certificate may apply to the commissioner for one time-limited extension.  
41.15 The commissioner, in consultation with the Commission of Deaf, DeafBlind and  
41.16 Hard-of-Hearing Minnesotans, must grant the person a time-limited extension of the  
41.17 provisional certificate based on the following documentation:

41.18 (1) letters of support from the person's mentor, a parent of a pupil the person serves,  
41.19 the special education director of the district in which the person is employed, and a  
41.20 representative from the regional service center of the deaf and hard-of-hearing;

41.21 (2) records of the person's formal education, training, experience, and progress on  
41.22 the person's education plan; and

41.23 (3) an explanation of why the extension is needed.

41.24 As a condition of receiving the extension, the person must comply with a plan  
41.25 and the accompanying time line for meeting the requirements of this subdivision. A  
41.26 committee composed of the ~~director of the Minnesota Resource Center Serving Deaf  
41.27 and Hard-of-Hearing, or the director's designee~~ representative of the commissioner, a  
41.28 representative of the Minnesota Association of Deaf Citizens, a representative of the  
41.29 Minnesota Registry of Interpreters of the Deaf, and other appropriate persons selected  
41.30 by the commissioner must develop the plan and time line for the person receiving the  
41.31 extension.

41.32 (e) A school district may employ only an interpreter/transliterators who has been  
41.33 certified under paragraph (a) or (b), or for whom a time-limited extension has been  
41.34 granted under paragraph (d).

41.35 Sec. 2. Minnesota Statutes 2014, section 122A.31, subdivision 2, is amended to read:

42.1           Subd. 2. **Oral or cued speech transliterators.** (a) In addition to any other  
42.2 requirements that a school district establishes, any person employed to provide oral  
42.3 transliterating or cued speech transliterating services on a full-time or part-time basis for a  
42.4 school district after July 1, 2000, must hold a current applicable transliterator certificate  
42.5 awarded by the national certifying association or comparable state certification from  
42.6 the commissioner of education.

42.7           (b) To provide oral or cued speech transliterator services on a full-time or part-time  
42.8 basis, a person employed in a school district must comply with paragraph (a). The  
42.9 commissioner shall grant a nonrenewable, two-year certificate to a school district on behalf  
42.10 of a person who has not yet attained a current applicable transliterator certificate under  
42.11 paragraph (a). A person for whom a nonrenewable, two-year certificate is issued must  
42.12 work under the direction of a licensed teacher who is skilled in language development  
42.13 of individuals who are deaf or hard-of-hearing. A person for whom a nonrenewable,  
42.14 two-year certificate is issued also must enroll in a state-approved training program and  
42.15 demonstrate progress towards the certification required under paragraph (a) sufficient for  
42.16 the person to be certified at the end of the two-year period.

42.17           (c) Consistent with the requirements of this paragraph, a person holding a  
42.18 provisional certificate may apply to the commissioner for one time-limited extension. The  
42.19 commissioner, in consultation with the Commission Serving Deaf and Hard-of-Hearing  
42.20 People, must grant the person a time-limited extension of the provisional certificate based  
42.21 on the following documentation:

42.22           (1) letters of support from the person's mentor, a parent of a pupil the person serves,  
42.23 the special education director of the district in which the person is employed, and a  
42.24 representative from the regional service center of the deaf and hard-of-hearing;

42.25           (2) records of the person's formal education, training, experience, and progress on  
42.26 the person's education plan; and

42.27           (3) an explanation of why the extension is needed.

42.28           As a condition of receiving the extension, the person must comply with a plan  
42.29 and the accompanying time line for meeting the requirements of this subdivision. A  
42.30 committee composed of the ~~director of the Minnesota Resource Center Serving Deaf~~  
42.31 ~~and Hard-of-Hearing, or the director's designee~~ representative of the commissioner, a  
42.32 representative of the Minnesota Association of Deaf Citizens, a representative of the  
42.33 Minnesota Registry of Interpreters of the Deaf, and other appropriate persons selected  
42.34 by the commissioner must develop the plan and time line for the person receiving the  
42.35 extension.

43.1 Sec. 3. Minnesota Statutes 2014, section 123B.88, subdivision 1, is amended to read:

43.2 Subdivision 1. **Providing transportation.** The board may provide for the  
43.3 transportation of pupils to and from school and for any other purpose. The board may  
43.4 also provide for the transportation of pupils to schools in other districts for grades and  
43.5 departments not maintained in the district, including high school, at the expense of the  
43.6 district, when funds are available therefor and if agreeable to the district to which it is  
43.7 proposed to transport the pupils, for the whole or a part of the school year, as it may  
43.8 deem advisable, and subject to its rules. In any district, the board must arrange for the  
43.9 attendance of all pupils living two miles or more from the school, except pupils whose  
43.10 transportation privileges have been voluntarily surrendered under subdivision 2, or  
43.11 whose privileges have been revoked under section 123B.91, subdivision 1, clause (6), or  
43.12 123B.90, subdivision 2. The district may provide for the transportation of or the boarding  
43.13 and rooming of the pupils who may be more economically and conveniently provided for  
43.14 by that means. Arrangements for attendance may include a requirement that parents or  
43.15 guardians request transportation before it is provided. The board must provide necessary  
43.16 transportation to and from the home of consistent with section 123B.92, subdivision 1,  
43.17 paragraph (b), clause (4), for a child with a disability not yet enrolled in kindergarten  
43.18 when for the provision of special instruction and services under sections 125A.03 to  
43.19 125A.24, 125A.26 to 125A.48, and 125A.65 are provided in a location other than in  
43.20 the child's home. Special instruction and services for a child with a disability not yet  
43.21 enrolled in kindergarten include an individualized education program team placement  
43.22 in an early childhood program when that placement is necessary to address the child's  
43.23 level of functioning and needs. When transportation is provided, scheduling of routes,  
43.24 establishment of the location of bus stops, manner and method of transportation, control  
43.25 and discipline of school children, the determination of fees, and any other matter relating  
43.26 thereto must be within the sole discretion, control, and management of the board. The  
43.27 district may provide for the transportation of pupils or expend a reasonable amount  
43.28 for room and board of pupils whose attendance at school can more economically and  
43.29 conveniently be provided for by that means or who attend school in a building rented or  
43.30 leased by a district within the confines of an adjacent district.

43.31 Sec. 4. Minnesota Statutes 2014, section 125A.023, subdivision 3, is amended to read:

43.32 Subd. 3. **Definitions.** For purposes of this section and section 125A.027, the  
43.33 following terms have the meanings given them:

43.34 (a) "Health plan" means:

43.35 (1) a health plan under section 62Q.01, subdivision 3;

- 44.1 (2) a county-based purchasing plan under section 256B.692;
- 44.2 (3) a self-insured health plan established by a local government under section
- 44.3 471.617; or
- 44.4 (4) self-insured health coverage provided by the state to its employees or retirees.
- 44.5 (b) For purposes of this section, "health plan company" means an entity that issues
- 44.6 a health plan as defined in paragraph (a).
- 44.7 (c) "Interagency intervention service system" means a system that coordinates
- 44.8 services and programs required in state and federal law to meet the needs of eligible
- 44.9 children with disabilities ages birth through 21, including:
- 44.10 (1) services provided under the following programs or initiatives administered
- 44.11 by state or local agencies:
- 44.12 (i) the maternal and child health program under title V of the Social Security Act;
- 44.13 (ii) the Minnesota children with special health needs program under sections 144.05
- 44.14 and 144.07;
- 44.15 (iii) the Individuals with Disabilities Education Act, Part B, section 619, and Part
- 44.16 C as amended;
- 44.17 (iv) medical assistance under title 42, chapter 7, of the Social Security Act;
- 44.18 (v) developmental disabilities services under chapter 256B;
- 44.19 (vi) the Head Start Act under title 42, chapter 105, of the Social Security Act;
- 44.20 (vii) vocational rehabilitation services provided under chapters 248 and 268A and
- 44.21 the Rehabilitation Act of 1973;
- 44.22 (viii) Juvenile Court Act services provided under sections 260.011 to 260.91;
- 44.23 260B.001 to 260B.446; and 260C.001 to 260C.451;
- 44.24 (ix) Minnesota Comprehensive Children's Mental Health Act under section 245.487;
- 44.25 (x) the community health services grants under sections 145.88 to 145.9266;
- 44.26 (xi) the Local Public Health Act under chapter 145A; and
- 44.27 (xii) the Vulnerable Children and Adults Act, sections 256M.60 to 256M.80;
- 44.28 (2) service provision and funding that can be coordinated through:
- 44.29 (i) the children's mental health collaborative under section 245.493;
- 44.30 (ii) the family services collaborative under section 124D.23;
- 44.31 (iii) the community transition interagency committees under section 125A.22; and
- 44.32 (iv) the interagency early intervention committees under section 125A.259;
- 44.33 (3) financial and other funding programs to be coordinated including medical
- 44.34 assistance under title 42, chapter 7, of the Social Security Act, the MinnesotaCare program
- 44.35 under chapter 256L, Supplemental Social Security Income, Developmental Disabilities
- 44.36 Assistance, and any other employment-related activities associated with the Social

45.1 Security Administration; and services provided under a health plan in conformity with an  
 45.2 individual family service plan or an individualized education program or an individual  
 45.3 interagency intervention plan; and

45.4 (4) additional appropriate services that local agencies and counties provide on  
 45.5 an individual need basis upon determining eligibility and receiving a request from (i)  
 45.6 the ~~interagency early intervention committee~~ school board or county board and (ii) the  
 45.7 child's parent.

45.8 (d) "Children with disabilities" has the meaning given in section 125A.02.

45.9 (e) A "standardized written plan" means those individual services or programs, with  
 45.10 accompanying funding sources, available through the interagency intervention service  
 45.11 system to an eligible child other than the services or programs described in the child's  
 45.12 individualized education program or the child's individual family service plan.

45.13 Sec. 5. Minnesota Statutes 2014, section 125A.023, subdivision 4, is amended to read:

45.14 Subd. 4. **State Interagency Committee.** (a) The commissioner of education, on  
 45.15 behalf of the governor, shall convene an interagency committee to develop and implement  
 45.16 a coordinated, multidisciplinary, interagency intervention service system for children ages  
 45.17 three to 21 with disabilities. The commissioners of commerce, education, health, human  
 45.18 rights, human services, employment and economic development, and corrections shall  
 45.19 each appoint two committee members from their departments; and the Association of  
 45.20 Minnesota Counties, Minnesota School Boards Association, the Minnesota Administrators  
 45.21 of Special Education, and the School Nurse Association of Minnesota shall each appoint  
 45.22 one committee member. The committee shall select a chair from among its members.

45.23 (b) The committee shall:

45.24 (1) identify and assist in removing state and federal barriers to local coordination of  
 45.25 services provided to children with disabilities;

45.26 (2) identify adequate, equitable, and flexible funding sources to streamline these  
 45.27 services;

45.28 (3) develop guidelines for implementing policies that ensure a comprehensive and  
 45.29 coordinated system of all state and local agency services, including multidisciplinary  
 45.30 assessment practices for children with disabilities ages three to 21, including:

45.31 (i) develop, consistent with federal law, a standardized written plan for providing  
 45.32 services to a child with disabilities;

45.33 (ii) identify how current systems for dispute resolution can be coordinated;

46.1 (iii) develop an evaluation process to measure the success of state and local  
 46.2 interagency efforts in improving the quality and coordination of services to children with  
 46.3 disabilities ages three to 21; and

46.4 (iv) develop guidelines to assist the governing boards of the interagency early  
 46.5 intervention committees in carrying out the duties assigned in section 125A.027,  
 46.6 subdivision 1, paragraph (b); and

46.7 (4) carry out other duties necessary to develop and implement within communities  
 46.8 a coordinated, multidisciplinary, interagency intervention service system for children  
 46.9 with disabilities.

46.10 (c) The committee shall consult on an ongoing basis with the state Special Education  
 46.11 Advisory Panel and the governor's Interagency Coordinating Council in carrying out  
 46.12 its duties under this section, including assisting the governing school boards of the  
 46.13 interagency early intervention committees and county boards.

46.14 Sec. 6. Minnesota Statutes 2014, section 125A.027, is amended to read:

46.15 **125A.027 INTERAGENCY EARLY INTERVENTION COMMITTEE**  
 46.16 **RESPONSIBILITIES LOCAL AGENCY COORDINATION RESPONSIBILITIES.**

46.17 Subdivision 1. **Additional duties School board and county board responsibilities.**

46.18 (a) It is the joint responsibility of school and county boards to coordinate, provide, and  
 46.19 pay for appropriate services and to facilitate payment for services from public and private  
 46.20 sources. Appropriate services for children eligible under section 125A.02 and receiving  
 46.21 services from two or more public agencies of which one is the public school must be  
 46.22 determined in consultation with parents, physicians, and other education, medical health,  
 46.23 and human services providers. The services provided must conform with a standardized  
 46.24 written plan for each eligible child ages three to 21.

46.25 (b) Appropriate services include those services listed on a child's standardized  
 46.26 written plan. These services are those that are required to be documented on a plan under  
 46.27 federal and state law or rule.

46.28 (c) School and county boards shall coordinate interagency services. Service  
 46.29 responsibilities for eligible children, ages three to 21, may be established in interagency  
 46.30 agreements or joint powers board agreements. In addition, interagency agreements or  
 46.31 joint powers board agreements may be developed to establish agency responsibility that  
 46.32 ensures that coordinated interagency services are coordinated, provided, and paid for and  
 46.33 that payment is facilitated from public and private sources. School boards must provide,  
 46.34 pay for, and facilitate payment for special education services as required under sections  
 46.35 125A.03 and 125A.06. County boards must provide, pay for, and facilitate payment for

47.1 those programs over which they have service and fiscal responsibility as referenced in  
47.2 section 125A.023, subdivision 3, paragraph (c), clause (1).

47.3 Subd. 1a. **Local governance structure.** (a) The governing school boards of  
47.4 the interagency early intervention committees and county boards are responsible for  
47.5 developing and implementing interagency policies and procedures to coordinate services  
47.6 at the local level for children with disabilities ages three to 21 under guidelines established  
47.7 by the state interagency committee under section 125A.023, subdivision 4. Consistent  
47.8 with the requirements in this section and section 125A.023, the governing school boards  
47.9 of the interagency early intervention committees and county boards may organize as a  
47.10 joint powers board under section 471.59 or enter into an interagency agreement that  
47.11 establishes a governance structure.

47.12 (b) ~~The governing board of each interagency early intervention committee as defined~~  
47.13 ~~in section 125A.30, paragraph (a), which may include a juvenile justice professional, shall:~~

47.14 (1) ~~identify state and federal barriers to local coordination of services provided to~~  
47.15 ~~children with disabilities;~~

47.16 (2) ~~implement policies that ensure a comprehensive and coordinated system of all~~  
47.17 ~~state and local agency services, including practices on multidisciplinary assessment,~~  
47.18 ~~standardized written plans, dispute resolution, and system evaluation for children with~~  
47.19 ~~disabilities ages three to 21;~~

47.20 (3) ~~coordinate services and facilitate payment for services from public and private~~  
47.21 ~~institutions, agencies, and health plan companies; and~~

47.22 (4) ~~share needed information consistent with state and federal data practices~~  
47.23 ~~requirements.~~

47.24 **Subd. 2. Appropriate and necessary services.** (a) Parents, physicians, other health  
47.25 care professionals including school nurses, and education and human services providers  
47.26 jointly must determine appropriate and necessary services for eligible children with  
47.27 disabilities ages three to 21. The services provided to the child under this section must  
47.28 conform with the child's standardized written plan. The governing school board of an  
47.29 interagency early intervention committee or county board must provide those services  
47.30 contained in a child's individualized education program and those services for which  
47.31 a legal obligation exists.

47.32 (b) Nothing in this section or section 125A.023 increases or decreases the obligation  
47.33 of the state, county, regional agency, local school district, or local agency or organization  
47.34 to pay for education, health care, or social services.

47.35 (c) A health plan may not exclude any medically necessary covered service solely  
47.36 because the service is or could be identified in a child's individual family service plan,

48.1 individualized education program, a plan established under section 504 of the federal  
 48.2 Rehabilitation Act of 1973, or a student's individual health plan. This paragraph reaffirms  
 48.3 the obligation of a health plan company to provide or pay for certain medically necessary  
 48.4 covered services, and encourages a health plan company to coordinate this care with any  
 48.5 other providers of similar services. Also, a health plan company may not exclude from a  
 48.6 health plan any medically necessary covered service such as an assessment or physical  
 48.7 examination solely because the resulting information may be used for an individualized  
 48.8 education program or a standardized written plan.

48.9 ~~Subd. 4. **Responsibilities of school and county boards.** (a) It is the joint~~  
 48.10 ~~responsibility of school and county boards to coordinate, provide, and pay for appropriate~~  
 48.11 ~~services, and to facilitate payment for services from public and private sources.~~  
 48.12 ~~Appropriate service for children eligible under section 125A.02 and receiving service~~  
 48.13 ~~from two or more public agencies of which one is the public school must be determined in~~  
 48.14 ~~consultation with parents, physicians, and other education, medical health, and human~~  
 48.15 ~~services providers. The services provided must be in conformity with a standardized~~  
 48.16 ~~written plan for each eligible child ages 3 to 21.~~

48.17 ~~(b) Appropriate services include those services listed on a child's standardized~~  
 48.18 ~~written plan. These services are those that are required to be documented on a plan under~~  
 48.19 ~~federal and state law or rule.~~

48.20 ~~(c) School and county boards shall coordinate interagency services. Service~~  
 48.21 ~~responsibilities for eligible children, ages 3 to 21, may be established in interagency~~  
 48.22 ~~agreements or joint powers board agreements. In addition, interagency agreements or joint~~  
 48.23 ~~powers board agreements may be developed to establish agency responsibility that assures~~  
 48.24 ~~that coordinated interagency services are coordinated, provided, and paid for, and that~~  
 48.25 ~~payment is facilitated from public and private sources. School boards must provide,~~  
 48.26 ~~pay for, and facilitate payment for special education services as required under sections~~  
 48.27 ~~125A.03 and 125A.06. County boards must provide, pay for, and facilitate payment for~~  
 48.28 ~~those programs over which they have service and fiscal responsibility as referenced in~~  
 48.29 ~~section 125A.023, subdivision 3, paragraph (c), clause (1).~~

48.30 Sec. 7. Minnesota Statutes 2014, section 125A.21, is amended to read:

48.31 **125A.21 THIRD-PARTY PAYMENT.**

48.32 Subdivision 1. **Obligation to pay.** Nothing in sections 125A.03 to 125A.24 and  
 48.33 125A.65 relieves an insurer or similar third party from an otherwise valid obligation to  
 48.34 pay, or changes the validity of an obligation to pay, for services rendered to a child with  
 48.35 a disability, and the child's family. A school district shall pay the nonfederal share of



49.1 medical assistance services provided according to section 256B.0625, subdivision 26.  
49.2 Eligible expenditures must not be made from federal funds or funds used to match other  
49.3 federal funds. Any federal disallowances are the responsibility of the school district. A  
49.4 school district may pay or reimburse co-payments, coinsurance, deductibles, and other  
49.5 enrollee cost-sharing amounts, on behalf of the student or family, in connection with  
49.6 health and related services provided under an individual educational plan or individualized  
49.7 family service plan.

49.8 Subd. 2. **Third-party reimbursement.** (a) Beginning July 1, 2000, districts  
49.9 shall seek reimbursement from insurers and similar third parties for the cost of services  
49.10 provided by the district whenever the services provided by the district are otherwise  
49.11 covered by the child's health coverage. Districts shall request, but may not require, the  
49.12 child's family to provide information about the child's health coverage when a child with a  
49.13 disability begins to receive services from the district of a type that may be reimbursable,  
49.14 and shall request, but may not require, updated information after that as needed.

49.15 (b) For children enrolled in medical assistance under chapter 256B or MinnesotaCare  
49.16 under chapter 256L who have no other health coverage, a district shall provide an initial  
49.17 and annual written notice to the enrolled child's parent or legal representative of its intent  
49.18 to seek reimbursement from medical assistance or MinnesotaCare for the individualized  
49.19 education program or individualized family service plan health-related services provided  
49.20 by the district. The initial notice must give the child's parent or legal representative the  
49.21 right to request a copy of the child's education records on the health-related services that  
49.22 the district provided to the child and disclosed to a third-party payer.

49.23 (c) The district shall give the parent or legal representative annual written notice of:

49.24 (1) the district's intent to seek reimbursement from medical assistance or  
49.25 MinnesotaCare for individualized education program or individualized family service plan  
49.26 health-related services provided by the district;

49.27 (2) the right of the parent or legal representative to request a copy of all records  
49.28 concerning individualized education program or individualized family service plan  
49.29 health-related services disclosed by the district to any third party; and

49.30 (3) the right of the parent or legal representative to withdraw consent for disclosure  
49.31 of a child's records at any time without consequence.

49.32 The written notice shall be provided as part of the written notice required by Code of  
49.33 Federal Regulations, title 34, section 300.504 or 303.520. The district must ensure that the  
49.34 parent of a child with a disability is given notice, in understandable language, of federal and  
49.35 state procedural safeguards available to the parent under this paragraph and paragraph (b).

50.1 (d) In order to access the private health care coverage of a child who is covered by  
50.2 private health care coverage in whole or in part, a district must:

50.3 (1) obtain annual written informed consent from the parent or legal representative, in  
50.4 compliance with subdivision 5; and

50.5 (2) inform the parent or legal representative that a refusal to permit the district  
50.6 or state Medicaid agency to access their private health care coverage does not relieve  
50.7 the district of its responsibility to provide all services necessary to provide free and  
50.8 appropriate public education at no cost to the parent or legal representative.

50.9 (e) If the commissioner of human services obtains federal approval to exempt  
50.10 covered individualized education program or individualized family service plan  
50.11 health-related services from the requirement that private health care coverage refuse  
50.12 payment before medical assistance may be billed, paragraphs (b), (c), and (d) shall also  
50.13 apply to students with a combination of private health care coverage and health care  
50.14 coverage through medical assistance or MinnesotaCare.

50.15 (f) In the event that Congress or any federal agency or the Minnesota legislature  
50.16 or any state agency establishes lifetime limits, limits for any health care services,  
50.17 cost-sharing provisions, or otherwise provides that individualized education program or  
50.18 individualized family service plan health-related services impact benefits for persons  
50.19 enrolled in medical assistance or MinnesotaCare, the amendments to this subdivision  
50.20 adopted in 2002 are repealed on the effective date of any federal or state law or regulation  
50.21 that imposes the limits. In that event, districts must obtain informed consent consistent  
50.22 with this subdivision as it existed prior to the 2002 amendments and subdivision 5, before  
50.23 seeking reimbursement for children enrolled in medical assistance under chapter 256B or  
50.24 MinnesotaCare under chapter 256L who have no other health care coverage.

50.25 Subd. 3. **Use of reimbursements.** Of the reimbursements received, districts may:

50.26 (1) retain an amount sufficient to compensate the district for its administrative costs  
50.27 of obtaining reimbursements;

50.28 (2) regularly obtain from education- and health-related entities training and other  
50.29 appropriate technical assistance designed to improve the district's ability to access  
50.30 third-party payments for individualized education program or individualized family  
50.31 service plan health-related services; or

50.32 (3) reallocate reimbursements for the benefit of students with individualized  
50.33 education programs or ~~individual~~ individualized family service plans in the district.

50.34 Subd. 4. **Parents not obligated to use health coverage.** To the extent required by  
50.35 federal law, a school district may not require parents of children with disabilities, if they  
50.36 would incur a financial cost, to use private or public health coverage to pay for the services

51.1 that must be provided under an individualized education program or individualized  
 51.2 family service plan.

51.3 Subd. 5. **Informed consent.** When obtaining informed consent, consistent with  
 51.4 sections 13.05, subdivision 4a; 256B.77, subdivision 2, paragraph (p); and Code of  
 51.5 Federal Regulations, title 34, parts 99 ~~and~~, 300, and 303, to bill health plans for covered  
 51.6 services, the school district must notify the legal representative (1) that the cost of the  
 51.7 person's private health insurance premium may increase due to providing the covered  
 51.8 service in the school setting, (2) that the school district may pay certain enrollee health  
 51.9 plan costs, including but not limited to, co-payments, coinsurance, deductibles, premium  
 51.10 increases or other enrollee cost-sharing amounts for health and related services required  
 51.11 by an individual service plan, or ~~individual~~ individualized family service plan, and (3) that  
 51.12 the school's billing for each type of covered service may affect service limits and prior  
 51.13 authorization thresholds. The informed consent may be revoked in writing at any time  
 51.14 by the person authorizing the billing of the health plan.

51.15 Subd. 6. **District obligation to provide service.** To the extent required by federal  
 51.16 law, no school district may deny, withhold, or delay any service that must be provided  
 51.17 under an individualized education program or individualized family service plan because  
 51.18 a family has refused to provide informed consent to bill a health plan for services or a  
 51.19 health plan company has refused to pay any, all, or a portion of the cost of services billed.

51.20 Subd. 7. **District disclosure of information.** A school district may disclose  
 51.21 information contained in a student's individualized education program, consistent with  
 51.22 section 13.32, subdivision 3, paragraph (a), and Code of Federal Regulations, title 34,  
 51.23 parts 99 ~~and~~, 300, and 303; including records of the student's diagnosis and treatment, to a  
 51.24 health plan company only with the signed and dated consent of the student's parent, or  
 51.25 other legally authorized individual. The school district shall disclose only that information  
 51.26 necessary for the health plan company to decide matters of coverage and payment. A  
 51.27 health plan company may use the information only for making decisions regarding  
 51.28 coverage and payment, and for any other use permitted by law.

51.29 Sec. 8. Minnesota Statutes 2014, section 125A.28, is amended to read:

51.30 **125A.28 STATE INTERAGENCY COORDINATING COUNCIL.**

51.31 An Interagency Coordinating Council of at least 17, but not more than 25 members is  
 51.32 established, in compliance with Public Law 108-446, section 641. The members must be  
 51.33 appointed by the governor and reasonably represent the population of Minnesota. Council  
 51.34 members must elect the council chair, who may not be a representative of the Department  
 51.35 of Education. The council must be composed of at least five parents, including persons

52.1 of color, of children with disabilities under age 12, including at least three parents of a  
52.2 child with a disability under age seven, five representatives of public or private providers  
52.3 of services for children with disabilities under age five, including a special education  
52.4 director, county social service director, local Head Start director, and a community health  
52.5 services or public health nursing administrator, one member of the senate, one member of  
52.6 the house of representatives, one representative of teacher preparation programs in early  
52.7 childhood-special education or other preparation programs in early childhood intervention,  
52.8 at least one representative of advocacy organizations for children with disabilities under  
52.9 age five, one physician who cares for young children with special health care needs, one  
52.10 representative each from the commissioners of commerce, education, health, human  
52.11 services, a representative from the state agency responsible for child care, foster care,  
52.12 mental health, homeless coordinator of education of homeless children and youth, and a  
52.13 representative from Indian health services or a tribal council. Section 15.059, subdivisions  
52.14 2 to 4, apply to the council. The council must meet at least quarterly.

52.15 The council must address methods of implementing the state policy of developing  
52.16 and implementing comprehensive, coordinated, multidisciplinary interagency programs of  
52.17 early intervention services for children with disabilities and their families.

52.18 The duties of the council include recommending policies to ensure a comprehensive  
52.19 and coordinated system of all state and local agency services for children under age five  
52.20 with disabilities and their families. The policies must address how to incorporate each  
52.21 agency's services into a unified state and local system of multidisciplinary assessment  
52.22 practices, individual intervention plans, comprehensive systems to find children in need of  
52.23 services, methods to improve public awareness, and assistance in determining the role of  
52.24 interagency early intervention committees.

52.25 ~~On the date that Minnesota Part C Annual Performance Report is submitted to~~  
52.26 Within 30 days of receiving the annual determination from the federal Office of Special  
52.27 Education on the Minnesota Part C Annual Performance Report, the council must  
52.28 recommend to the governor and the commissioners of education, health, human services,  
52.29 commerce, and employment and economic development policies for a comprehensive  
52.30 and coordinated system.

52.31 Annually, the council must prepare and submit a report to the governor and the  
52.32 secretary of the federal Department of Education on the status of early intervention  
52.33 services and programs for infants and toddlers with disabilities and their families under  
52.34 the Individuals with Disabilities Education Act, United States Code, title 20, sections  
52.35 1471 to 1485 (Part C, Public Law 102-119), as operated in Minnesota. The Minnesota  
52.36 Part C annual performance report may serve as the report.

53.1 Notwithstanding any other law to the contrary, the State Interagency Coordinating  
 53.2 Council does not expire unless federal law no longer requires the existence of the council  
 53.3 or committee.

53.4 Sec. 9. Minnesota Statutes 2014, section 125A.63, subdivision 4, is amended to read:

53.5 Subd. 4. **Advisory committees.** (a) The commissioner shall establish an advisory  
 53.6 committee for ~~each resource center~~ the deaf and hard-of-hearing and the blind and  
 53.7 visually impaired. The advisory committees shall develop recommendations ~~regarding the~~  
 53.8 ~~resource centers~~ and submit an annual report to the commissioner on the form and in the  
 53.9 manner prescribed by the commissioner.

53.10 (b) The advisory committee ~~for the Resource Center~~ for the deaf and hard of hearing  
 53.11 shall meet periodically at least four times per year and submit an annual report to the  
 53.12 commissioner, the education policy and finance committees of the legislature, and the  
 53.13 Commission of Deaf, DeafBlind, and ~~Hard-of-Hearing~~ Hard-of-Hearing Minnesotans.  
 53.14 The report must, at least:

53.15 (1) identify and report the aggregate, data-based education outcomes for children  
 53.16 with the primary disability classification of deaf and hard of hearing, consistent with  
 53.17 the commissioner's child count reporting practices, the commissioner's state and local  
 53.18 outcome data reporting system by district and region, and the school performance report  
 53.19 cards under section 120B.36, subdivision 1; and

53.20 (2) describe the implementation of a data-based plan for improving the education  
 53.21 outcomes of deaf and hard of hearing children that is premised on evidence-based best  
 53.22 practices, and provide a cost estimate for ongoing implementation of the plan.

53.23 Sec. 10. Minnesota Statutes 2014, section 125A.63, subdivision 5, is amended to read:

53.24 Subd. 5. **Statewide hearing loss early education intervention coordinator.** (a)  
 53.25 The coordinator shall:

53.26 (1) collaborate with the early hearing detection and intervention coordinator for the  
 53.27 Department of Health, ~~the director of the Department of Education Resource Center for~~  
 53.28 ~~Deaf and Hard-of-Hearing~~ the commissioner of education's designee, and the Department  
 53.29 of Health Early Hearing Detection and Intervention Advisory Council;

53.30 (2) coordinate and support Department of Education early hearing detection and  
 53.31 intervention teams;

53.32 (3) leverage resources by serving as a liaison between interagency early intervention  
 53.33 committees; part C coordinators from the Departments of Education, Health, and  
 53.34 Human Services; Department of Education regional low-incidence facilitators; service

54.1 coordinators from school districts; Minnesota children with special health needs in the  
 54.2 Department of Health; public health nurses; child find; Department of Human Services  
 54.3 Deaf and Hard-of-Hearing Services Division; and others as appropriate;

54.4 (4) identify, support, and promote culturally appropriate and evidence-based early  
 54.5 intervention practices for infants with hearing loss, and provide training, outreach, and use  
 54.6 of technology to increase consistency in statewide service provision;

54.7 (5) identify culturally appropriate specialized reliable and valid instruments to assess  
 54.8 and track the progress of children with hearing loss and promote their use;

54.9 (6) ensure that early childhood providers, parents, and members of the individual  
 54.10 family service and intervention plan are provided with child progress data resulting from  
 54.11 specialized assessments;

54.12 (7) educate early childhood providers and teachers of the deaf and hard-of-hearing  
 54.13 to use developmental data from specialized assessments to plan and adjust individual  
 54.14 family service plans; and

54.15 (8) make recommendations that would improve educational outcomes to the early  
 54.16 hearing detection and intervention committee, the commissioners of education and health,  
 54.17 the Commission of Deaf, DeafBlind and Hard-of-Hearing Minnesotans, and the advisory  
 54.18 council of the ~~Minnesota Department of Education Resource Center~~ for the deaf and  
 54.19 hard-of-hearing.

54.20 (b) The Department of Education must provide aggregate data regarding outcomes  
 54.21 of deaf and hard-of-hearing children who receive early intervention services within the  
 54.22 state in accordance with the state performance plan.

54.23 Sec. 11. Minnesota Statutes 2014, section 125A.76, subdivision 1, is amended to read:

54.24 Subdivision 1. **Definitions.** (a) For the purposes of this section and section 125A.79,  
 54.25 the definitions in this subdivision apply.

54.26 (b) "Basic revenue" has the meaning given it in section 126C.10, subdivision 2.  
 54.27 For the purposes of computing basic revenue pursuant to this section, each child with a  
 54.28 disability shall be counted as prescribed in section 126C.05, subdivision 1.

54.29 (c) "Essential personnel" means teachers, cultural liaisons, related services, and  
 54.30 support services staff providing services to students. Essential personnel may also include  
 54.31 special education paraprofessionals or clericals providing support to teachers and students  
 54.32 by preparing paperwork and making arrangements related to special education compliance  
 54.33 requirements, including parent meetings and individualized education programs. Essential  
 54.34 personnel does not include administrators and supervisors.

54.35 (d) "Average daily membership" has the meaning given it in section 126C.05.

55.1 (e) "Program growth factor" means 1.046 for fiscal years 2012 through 2015, 1.0  
 55.2 for fiscal year 2016, 1.046 for fiscal year 2017, and the product of 1.046 and the program  
 55.3 growth factor for the previous year for fiscal year 2018 and later.

55.4 (f) "Nonfederal special education expenditure" means all direct expenditures that  
 55.5 are necessary and essential to meet the district's obligation to provide special instruction  
 55.6 and services to children with a disability according to sections 124D.454, 125A.03 to  
 55.7 125A.24, 125A.259 to 125A.48, and 125A.65 as submitted by the district and approved by  
 55.8 the department under section 125A.75, subdivision 4, excluding expenditures:

55.9 (1) reimbursed with federal funds;

55.10 (2) reimbursed with other state aids under this chapter;

55.11 (3) for general education costs of serving students with a disability;

55.12 (4) for facilities;

55.13 (5) for pupil transportation; and

55.14 (6) for postemployment benefits.

55.15 (g) "Old formula special education expenditures" means expenditures eligible for  
 55.16 revenue under Minnesota Statutes 2012, section 125A.76, subdivision 2.

55.17 (h) For the Minnesota State Academy for the Deaf and the Minnesota State Academy  
 55.18 for the Blind, expenditures under paragraphs (f) and (g) are limited to the salary and  
 55.19 fringe benefits of one-to-one instructional and behavior management aides and one-to-one  
 55.20 licensed, certified professionals assigned to a child attending the academy, if the aides or  
 55.21 professionals are required by the child's individualized education program.

55.22 (i) "Cross subsidy reduction aid percentage" means 1.0 percent for fiscal year 2014  
 55.23 and 2.27 percent for fiscal year 2015.

55.24 (j) "Cross subsidy reduction aid limit" means \$20 for fiscal year 2014 and \$48  
 55.25 for fiscal year 2015.

55.26 (k) "Special education aid increase limit" means \$80 for fiscal year 2016, \$100 for  
 55.27 fiscal year 2017, and, for fiscal year 2018 and later, the sum of the special education aid  
 55.28 increase limit for the previous fiscal year and \$40.

55.29 (l) "District" means a school district, a charter school, or a cooperative unit as  
 55.30 defined in section 123A.24, subdivision 2. Notwithstanding section 123A.26, cooperative  
 55.31 units as defined in section 123A.24, subdivision 2, are eligible to receive special education  
 55.32 aid under this section and section 125A.79.

55.33 **EFFECTIVE DATE.** This section is effective for fiscal year 2016 and later.

55.34 Sec. 12. Minnesota Statutes 2014, section 125A.76, subdivision 2c, is amended to read:

56.1 Subd. 2c. **Special education aid.** (a) For fiscal year 2014 and fiscal year 2015, a  
56.2 district's special education aid equals the sum of the district's special education aid under  
56.3 subdivision 5, the district's cross subsidy reduction aid under subdivision 2b, and the  
56.4 district's excess cost aid under section 125A.79, subdivision 7.

56.5 (b) For fiscal year 2016 and later, a district's special education aid equals the sum of  
56.6 the district's special education initial aid under subdivision 2a and the district's excess cost  
56.7 aid under section 125A.79, subdivision 5.

56.8 (c) Notwithstanding paragraph (b), for fiscal year 2016, the special education aid for  
56.9 a school district must not exceed the sum of the special education aid the district would  
56.10 have received for fiscal year 2016 under Minnesota Statutes 2012, sections 125A.76  
56.11 and 125A.79, as adjusted according to Minnesota Statutes 2012, sections 125A.11 and  
56.12 127A.47, subdivision 7, and the product of the district's average daily membership served  
56.13 and the special education aid increase limit.

56.14 (d) Notwithstanding paragraph (b), for fiscal year 2017 and later, the special education  
56.15 aid for a school district must not exceed the sum of: (i) the product of the district's average  
56.16 daily membership served and the special education aid increase limit and (ii) the product  
56.17 of the sum of the special education aid the district would have received for fiscal year 2016  
56.18 under Minnesota Statutes 2012, sections 125A.76 and 125A.79, as adjusted according  
56.19 to Minnesota Statutes 2012, sections 125A.11 and 127A.47, subdivision 7, the ratio of  
56.20 the district's average daily membership served for the current fiscal year to the district's  
56.21 average daily membership served for fiscal year 2016, and the program growth factor.

56.22 (e) Notwithstanding paragraph (b), for fiscal year 2016 and later the special  
56.23 education aid for a school district, not including a charter school or cooperative unit as  
56.24 defined in section 123A.24, must not be less than the lesser of (1) the district's nonfederal  
56.25 special education expenditures for that fiscal year or (2) the product of the sum of the  
56.26 special education aid the district would have received for fiscal year 2016 under Minnesota  
56.27 Statutes 2012, sections 125A.76 and 125A.79, as adjusted according to Minnesota Statutes  
56.28 2012, sections 125A.11 and 127A.47, subdivision 7, the ratio of the district's adjusted  
56.29 daily membership for the current fiscal year to the district's average daily membership for  
56.30 fiscal year 2016, and the program growth factor.

56.31 (f) Notwithstanding subdivision 2a and section 125A.79, a charter school in its first  
56.32 year of operation shall generate special education aid based on current year data. A newly  
56.33 formed cooperative unit as defined in section 123A.24 may apply to the commissioner  
56.34 for approval to generate special education aid for its first year of operation based on  
56.35 current year data, with an offsetting adjustment to the prior year data used to calculate aid



57.1 for programs at participating school districts or previous cooperatives that were replaced  
 57.2 by the new cooperative.

57.3 Sec. 13. **REPEALER.**

57.4 Minnesota Statutes 2014, section 125A.63, subdivisions 1, 2, and 3, are repealed.

#### 57.5 **ARTICLE 4**

#### 57.6 **FACILITIES AND TECHNOLOGY**

57.7 Section 1. Minnesota Statutes 2014, section 125B.26, subdivision 2, is amended to read:

57.8 Subd. 2. **E-rates.** To be eligible for aid under this section, a district, charter school,  
 57.9 or intermediate school district is required to file an e-rate application either separately or  
 57.10 through its telecommunications access cluster ~~and have a current technology plan on file~~  
 57.11 ~~with the department.~~ Discounts received on telecommunications expenditures shall be  
 57.12 reflected in the costs submitted to the department for aid under this section.

#### 57.13 **ARTICLE 5**

#### 57.14 **EARLY CHILDHOOD EDUCATION**

57.15 Section 1. Minnesota Statutes 2014, section 124D.165, subdivision 2, is amended to  
 57.16 read:

57.17 Subd. 2. **Family eligibility.** (a) For a family to receive an early learning scholarship,  
 57.18 parents or guardians must meet the following eligibility requirements:

57.19 (1) have a child three or four years of age on September 1 of the current school year,  
 57.20 who has not yet started kindergarten; and

57.21 (2) have income equal to or less than 185 percent of federal poverty level income  
 57.22 in the current calendar year, or be able to document their child's current participation in  
 57.23 the free and reduced-price lunch program or child and adult care food program, National  
 57.24 School Lunch Act, United States Code, title 42, sections 1751 and 1766; the Food  
 57.25 Distribution Program on Indian Reservations, Food and Nutrition Act, United States  
 57.26 Code, title 7, sections 2011-2036; Head Start under the federal Improving Head Start for  
 57.27 School Readiness Act of 2007; Minnesota family investment program under chapter 256J;  
 57.28 child care assistance programs under chapter 119B; the supplemental nutrition assistance  
 57.29 program; or placement in foster care under section 260C.212.

57.30 (b) Notwithstanding the other provisions of this section, a parent under age 21 who  
 57.31 is pursuing a high school or general education equivalency diploma or a college degree is

58.1 eligible for an early learning scholarship if the parent has a child age zero to five years old  
58.2 and meets the income eligibility guidelines in this subdivision.

58.3 (c) Any siblings between the ages zero to five years old of a child who has been  
58.4 awarded a scholarship under this section must be awarded a scholarship upon request,  
58.5 provided the sibling attends the same program as long as funds are available.

58.6 (d) Beginning September 1, 2015, any child under the age of five years old on  
58.7 September 1 of the current school year who has not started kindergarten and is a recipient  
58.8 of an Early Learning Scholarship funded under the federal Race to the Top - Early Learning  
58.9 Challenge Grant must receive a scholarship under this section at the end of the child's Race  
58.10 to the Top - Early Learning Challenge Grant scholarship as long as funds are available.

58.11 ~~(d)~~ (e) A child who has received a scholarship under this section must continue to  
58.12 receive a scholarship each year until that child is eligible for kindergarten under section  
58.13 120A.20 and as long as funds are available.

58.14 ~~(e)~~ (f) Early learning scholarships may not be counted as earned income for the  
58.15 purposes of medical assistance under chapter 256B, MinnesotaCare under chapter 256L,  
58.16 Minnesota family investment program under chapter 256J, child care assistance programs  
58.17 under chapter 119B, or Head Start under the federal Improving Head Start for School  
58.18 Readiness Act of 2007.

58.19 Sec. 2. Minnesota Statutes 2014, section 124D.165, subdivision 3, is amended to read:

58.20 Subd. 3. **Administration.** (a) The commissioner shall establish application  
58.21 timelines and determine the schedule for awarding scholarships that meets operational  
58.22 needs of eligible families and programs.

58.23 (b) The commissioner may prioritize applications on factors including:

58.24 (1) family income;

58.25 (2) geographic location; and

58.26 (3) whether the ~~child's family~~ child:

58.27 (i) is in foster care;

58.28 (ii) is experiencing homelessness;

58.29 (iii) is on a waiting list for a publicly funded program providing early education  
58.30 or child care services; or

58.31 (iv) has a parent under age 21 who is pursuing a high school or general education  
58.32 equivalency diploma or a college degree.

58.33 ~~(b)~~ (c) For fiscal years 2014 and 2015 only, scholarships may not exceed \$5,000  
58.34 per year for each eligible child. For fiscal year 2016 and later, the commissioner shall

59.1 establish a target for the average scholarship amount per child based on the results of the  
59.2 rate survey conducted under section 119B.02.

59.3 ~~(e)~~ (d) A four-star rated program that has children eligible for a scholarship enrolled  
59.4 in or on a waiting list for a program beginning in July, August, or September may notify  
59.5 the commissioner, in the form and manner prescribed by the commissioner, each year  
59.6 of the program's desire to enhance program services or to serve more children than  
59.7 current funding provides. The commissioner may designate a predetermined number of  
59.8 scholarship slots for that program and notify the program of that number. Beginning July  
59.9 1, 2016, a school district or Head Start program qualifying under this paragraph may  
59.10 use its established registration process to enroll scholarship recipients and may verify a  
59.11 scholarship recipient's family income in the same manner as for other program participants.

59.12 ~~(d)~~ (e) A scholarship is awarded for a 12-month period. If the scholarship recipient  
59.13 has not been accepted and subsequently enrolled in a rated program within ten months of  
59.14 the awarding of the scholarship, the scholarship cancels and the recipient must reapply in  
59.15 order to be eligible for another scholarship. A child may not be awarded more than one  
59.16 scholarship in a 12-month period.

59.17 ~~(e)~~ (f) A child who receives a scholarship who has not completed development  
59.18 screening under sections 121A.16 to 121A.19 must complete that screening within 90  
59.19 days of first attending an eligible program.

59.20 ~~(f)~~ (g) For fiscal year 2017 and later, a school district or Head Start program enrolling  
59.21 scholarship recipients under paragraph ~~(e)~~ (d) may apply to the commissioner, in the form  
59.22 and manner prescribed by the commissioner, for direct payment of state aid. Upon receipt  
59.23 of the application, the commissioner must pay each program directly for each approved  
59.24 scholarship recipient enrolled under paragraph ~~(e)~~ (d) according to the metered payment  
59.25 system or another schedule established by the commissioner.

59.26 **EFFECTIVE DATE.** This section is effective for fiscal year 2016 and later.

59.27 Sec. 3. Minnesota Statutes 2014, section 124D.165, subdivision 4, is amended to read:

59.28 Subd. 4. **Early childhood program eligibility.** (a) In order to be eligible to accept  
59.29 an early learning scholarship, a program must:

59.30 (1) participate in the quality rating and improvement system under section  
59.31 124D.142; and

59.32 (2) beginning July 1, 2016, have a three- or four-star rating in the quality rating  
59.33 and improvement system.

59.34 ~~(b) Any program accepting scholarships must use the revenue to supplement and not~~  
59.35 ~~supplant federal funding.~~

60.1 (e) (b) Notwithstanding paragraph (a), all Minnesota early learning foundation  
 60.2 scholarship program pilot sites are eligible to accept an early learning scholarship under  
 60.3 this section.

60.4 (c) A provider is not eligible to participate in the scholarship program under this  
 60.5 section if:

60.6 (1) the provider has been disqualified from receiving payment for child care services  
 60.7 from the child care assistance program under chapter 119B due to wrongfully obtaining  
 60.8 child care assistance under section 256.98, subdivision 8, paragraph (c);

60.9 (2) the program or individual is currently on the national disqualified list for the  
 60.10 Child and Adult Care Food Program; or

60.11 (3) the program or provider has been convicted of any activity that occurred during  
 60.12 the past seven years indicating a lack of business integrity, including fraud, making false  
 60.13 statements, receiving stolen property, making false claims, or obstruction of justice.

60.14 **EFFECTIVE DATE.** This section is effective for fiscal year 2016 and later.

60.15 Sec. 4. Minnesota Statutes 2014, section 124D.165, is amended by adding a  
 60.16 subdivision to read:

60.17 Subd. 4a. **Record-keeping requirements.** A program participating under this  
 60.18 section must maintain and make available upon request attendance records and records of  
 60.19 charges and payments for all children participating in this program, including payments  
 60.20 from sources other than this program.

60.21 Sec. 5. Minnesota Statutes 2014, section 124D.165, is amended by adding a  
 60.22 subdivision to read:

60.23 Subd. 6. **Use of funds.** (a) Scholarships must be used to supplement and not  
 60.24 supplant federal funding.

60.25 (b) A scholarship must be used in a program that the child attends on a consistent  
 60.26 basis in order to ensure the child's access to the general curriculum of the program.

## 60.27 **ARTICLE 6**

### 60.28 **LIBRARIES**

60.29 Section 1. Minnesota Statutes 2014, section 134.20, subdivision 2, is amended to read:

60.30 Subd. 2. **Library board and chief administrative officer.** (a) The agreement  
 60.31 establishing a regional public library system shall provide for a library board to govern the  
 60.32 organization having all the powers and duties of city and county library boards as provided

61.1 in sections 134.11, 134.12, and 134.13 and including exclusive determination of all library  
 61.2 services to be provided under terms of the agreement as defined in section 134.001, and  
 61.3 exclusive control of the expenditure of all funds for the services. The regional library  
 61.4 system board may consist of as many members as the contracting parties deem necessary,  
 61.5 appointed in a number from among the residents of the contracting parties and for terms  
 61.6 by each party to the contract as determined by the contracting parties, irrespective of  
 61.7 the existence of one or more city and county library boards already in existence in the  
 61.8 participating cities and counties. Not more than one member from each contracting party  
 61.9 shall be a member of the governing body of a contracting party and no member may be  
 61.10 appointed to serve more than three consecutive three-year terms. In the participating cities  
 61.11 and counties, the portion of the proceeds of the city and county library tax authorized  
 61.12 by section 134.07, shall be used to support the regional public library system as the  
 61.13 contracting agreement may provide.

61.14 (b) The governing board of a regional public library system must employ a full-time  
 61.15 chief administrative officer.

## 61.16 ARTICLE 7

### 61.17 STATE AGENCIES

61.18 Section 1. Minnesota Statutes 2014, section 16A.103, subdivision 1c, is amended to  
 61.19 read:

61.20 Subd. 1c. **Expenditure data.** (a) State agencies must submit any revisions  
 61.21 in expenditure data the commissioner determines necessary for the forecast to the  
 61.22 commissioner at least four weeks prior to the release of the forecast. The information  
 61.23 submitted by state agencies and any modifications to that information made by the  
 61.24 commissioner must be made available to legislative fiscal staff no later than three weeks  
 61.25 prior to the release of the forecast.

61.26 (b) Notwithstanding paragraph (a), the Department of Education must submit  
 61.27 any revisions in expenditure data to the commissioner at least three weeks prior to the  
 61.28 release of the November forecast, and the commissioner must make E-12 expenditure  
 61.29 data available to legislative fiscal staff no later than two weeks prior to the release of  
 61.30 the November forecast.

61.31 Sec. 2. Minnesota Statutes 2014, section 120B.12, subdivision 2, is amended to read:

61.32 Subd. 2. **Identification; report.** For the 2011-2012 school year and later, each  
 61.33 school district shall identify before the end of kindergarten, grade 1, and grade 2 students  
 61.34 who are not reading at grade level before the end of the current school year. Reading

62.1 assessments in English, and in the predominant languages of district students where  
 62.2 practicable, must identify and evaluate students' areas of academic need related to literacy.  
 62.3 The district also must monitor the progress and provide reading instruction appropriate  
 62.4 to the specific needs of English learners. The district must use a locally adopted,  
 62.5 developmentally appropriate, and culturally responsive assessment ~~and annually report~~  
 62.6 ~~summary assessment results to the commissioner by July 1.~~

62.7 Sec. 3. Minnesota Statutes 2014, section 122A.414, subdivision 3, is amended to read:

62.8 Subd. 3. **Report; continued funding.** (a) Participating districts, intermediate  
 62.9 school districts, school sites, and charter schools must report on the implementation and  
 62.10 effectiveness of the alternative teacher professional pay system, particularly addressing  
 62.11 each requirement under subdivision 2 and make annual recommendations by June 15  
 62.12 to their school boards. The school board or board of directors shall ~~transmit~~ include a  
 62.13 copy of the report with a summary of the findings and recommendations of the district,  
 62.14 intermediate school district, school site, or charter school ~~to the commissioner~~ in the report  
 62.15 required under section 120B.11, subdivision 5.

62.16 (b) If the commissioner determines that a school district, intermediate school district,  
 62.17 school site, or charter school that receives alternative teacher compensation revenue is not  
 62.18 complying with the requirements of this section, the commissioner may withhold funding  
 62.19 from that participant. Before making the determination, the commissioner must notify the  
 62.20 participant of any deficiencies and provide the participant an opportunity to comply.

62.21 Sec. 4. Minnesota Statutes 2014, section 122A.60, subdivision 4, is amended to read:

62.22 Subd. 4. **Staff development report.** (a) ~~By October 15 of each year,~~ The district  
 62.23 and site staff development committees shall write ~~and submit~~ a report of staff development  
 62.24 activities and expenditures for the previous year, in the form and manner determined by  
 62.25 the commissioner to be included in the report required under section 120B.11, subdivision  
 62.26 5. The report, signed by the district superintendent and staff development chair, must  
 62.27 include assessment and evaluation data indicating progress toward district and site staff  
 62.28 development goals based on teaching and learning outcomes, including the percentage  
 62.29 of teachers and other staff involved in instruction who participate in effective staff  
 62.30 development activities under subdivision 3.

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

62.32 (1) curriculum development and curriculum training programs; and

62.33 (2) staff development training models, workshops, and conferences, and the cost of  
 62.34 releasing teachers or providing substitute teachers for staff development purposes.

63.1 The report also must indicate whether the expenditures were incurred at the district  
 63.2 level or the school site level, and whether the school site expenditures were made possible  
 63.3 by grants to school sites that demonstrate exemplary use of allocated staff development  
 63.4 revenue. These expenditures must be reported using the uniform financial and accounting  
 63.5 and reporting standards.

63.6 (c) The commissioner shall report the staff development progress and expenditure  
 63.7 data to the house of representatives and senate committees having jurisdiction over  
 63.8 education by February ~~15~~ 1 each year.

63.9 Sec. 5. Minnesota Statutes 2014, section 123A.24, subdivision 1, is amended to read:

63.10 Subdivision 1. **Distribution of assets and liabilities.** (a) If a district withdraws  
 63.11 from a cooperative unit defined in subdivision 2, the distribution of assets and assignment  
 63.12 of liabilities to the withdrawing district shall be determined according to this subdivision.

63.13 (b) The withdrawing district remains responsible for its share of debt incurred by the  
 63.14 cooperative unit according to section 123B.02, subdivision 3. The district and cooperative  
 63.15 unit may mutually agree, through a board resolution by each, to terms and conditions of  
 63.16 the distribution of assets and the assignment of liabilities.

63.17 (c) If the cooperative unit and the district cannot agree on the terms and conditions,  
 63.18 the commissioner shall resolve the dispute by determining the district's proportionate share  
 63.19 of assets and liabilities based on the district's enrollment, financial contribution, usage, or  
 63.20 other factor or combination of factors determined appropriate by the commissioner. If the  
 63.21 dispute requires the commissioner to involve an administrative law judge, any fees due  
 63.22 to the Office of Administrative Hearings must be equally split between the district and  
 63.23 cooperative unit. The assets must be disbursed to the withdrawing district in a manner  
 63.24 that minimizes financial disruption to the cooperative unit.

63.25 (d) Assets related to an insurance pool shall not be disbursed to a member district  
 63.26 under paragraph (c).

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

63.28 Sec. 6. Minnesota Statutes 2014, section 123B.77, subdivision 3, is amended to read:

63.29 Subd. 3. **Statement for comparison and correction.** (a) By November ~~30~~ 15 of the  
 63.30 calendar year of the submission of the unaudited financial data, the district must provide to  
 63.31 the commissioner audited financial data for the preceding fiscal year. The audit must be  
 63.32 conducted in compliance with generally accepted governmental auditing standards, the  
 63.33 federal Single Audit Act, and the Minnesota legal compliance guide issued by the Office  
 63.34 of the State Auditor. An audited financial statement prepared in a form which will allow

64.1 comparison with and correction of material differences in the unaudited financial data shall  
 64.2 be submitted to the commissioner and the state auditor by December 31 15. The audited  
 64.3 financial statement must also provide a statement of assurance pertaining to uniform  
 64.4 financial accounting and reporting standards compliance and a copy of the management  
 64.5 letter submitted to the district by the school district's auditor.

64.6 (b) By February 15 (1) of the calendar year following the submission of the  
 64.7 unaudited financial data, the commissioner shall convert the audited financial data  
 64.8 required by this subdivision into the consolidated financial statement format required  
 64.9 under subdivision 1a and publish the information on the department's Web site.

64.10 Sec. 7. Minnesota Statutes 2014, section 125A.75, subdivision 9, is amended to read:

64.11 Subd. 9. **Litigation costs; annual report.** (a) By November 30 of each year,  
 64.12 a school district must annually report the district's special education litigation costs,  
 64.13 including attorney fees and costs of due process hearings, to the commissioner of  
 64.14 education, consistent with the Uniform Financial Accounting and Reporting Standards.

64.15 (b) By ~~January 15~~ February 1 of each year, the commissioner shall report school  
 64.16 district special education litigation costs to the house of representatives and the senate  
 64.17 committees having jurisdiction over kindergarten through grade 12 education finance.

64.18 Sec. 8. Minnesota Statutes 2014, section 127A.05, subdivision 6, is amended to read:

64.19 Subd. 6. **Survey of districts.** The commissioner of education shall survey the state's  
 64.20 school districts and teacher preparation programs and report to the education committees  
 64.21 of the legislature by ~~January 15~~ February 1 of each odd-numbered year on the status of  
 64.22 teacher early retirement patterns, the teacher shortage, and the substitute teacher shortage,  
 64.23 including patterns and shortages in subject areas and regions of the state. The report must  
 64.24 also include how districts are making progress in hiring teachers and substitutes in the  
 64.25 areas of shortage and a five-year projection of teacher demand for each district.

64.26 Sec. 9. Minnesota Statutes 2014, section 127A.05, is amended by adding a subdivision  
 64.27 to read:

64.28 Subd. 7. **Annual reports.** The commissioner of education may combine into  
 64.29 one report to be delivered annually by February 1 to the legislative committees with  
 64.30 jurisdiction over education policy and finance the following reports:

64.31 (1) dangerous weapons and disciplinary incidents under section 121A.06;

64.32 (2) staff development under section 122A.60, subdivision 4;



- 65.1 (3) achievement and integration plan evaluation under section 124D.861, subdivision  
 65.2 5;  
 65.3 (4) reducing the use of restrictive procedures under section 125A.0942, subdivision 3;  
 65.4 (5) students who are deaf or hard of hearing under section 125A.63, subdivision 4;  
 65.5 (6) special education litigation costs under section 125A.75, subdivision 9;  
 65.6 (7) teacher supply and demand under subdivision 6; and  
 65.7 (8) Minnesota High School League under section 128C.20.

65.8 Sec. 10. Minnesota Statutes 2014, section 127A.49, subdivision 1, is amended to read:

65.9 Subdivision 1. **Omissions.** No adjustments to any aid payments made pursuant  
 65.10 to this chapter or chapters 120B, 122A, 123A, 123B, 124D, 125A, and 126C resulting  
 65.11 from omissions in district reports, except those adjustments determined by the legislative  
 65.12 auditor, shall be made for any school year after December ~~30~~ 15 of the next school year,  
 65.13 unless otherwise specifically provided by law.

65.14 Sec. 11. Minnesota Statutes 2014, section 127A.70, subdivision 1, is amended to read:

65.15 Subdivision 1. **Establishment; membership.** (a) A P-20 education partnership is  
 65.16 established to create a seamless system of education that maximizes achievements of  
 65.17 all students, from early childhood through elementary, secondary, and postsecondary  
 65.18 education, while promoting the efficient use of financial and human resources. The  
 65.19 partnership shall consist of major statewide educational groups or constituencies or  
 65.20 noneducational statewide organizations with a stated interest in P-20 education. The initial  
 65.21 membership of the partnership includes the members serving on the Minnesota P-16  
 65.22 Education Partnership and four legislators appointed as follows:

65.23 (1) one senator from the majority party and one senator from the minority party,  
 65.24 appointed by the Subcommittee on Committees of the Committee on Rules and  
 65.25 Administration; and

65.26 (2) one member of the house of representatives appointed by the speaker of the  
 65.27 house and one member appointed by the minority leader of the house of representatives.

65.28 (b) The chair of the P-16 education partnership must convene the first meeting  
 65.29 of the P-20 partnership. Prospective members may be nominated by any partnership  
 65.30 member and new members will be added with the approval of a two-thirds majority of the  
 65.31 partnership. The partnership will also seek input from nonmember organizations whose  
 65.32 expertise can help inform the partnership's work.

66.1 (c) Partnership members shall be represented by the chief executives, presidents, or  
66.2 other formally designated leaders of their respective organizations, or their designees. The  
66.3 partnership shall meet at least three times during each calendar year.

66.4 (d) The P-20 education partnership shall be the state council for the Interstate  
66.5 Compact on Educational Opportunity for Military Children under section 127A.85 with  
66.6 the ~~chair~~ commissioner or commissioner's designee serving as the compact commissioner  
66.7 responsible for the administration and management of the state's participation in the  
66.8 compact. When conducting business required under section 127A.85, the P-20 partnership  
66.9 shall include a representative from a military installation appointed by the adjutant general  
66.10 of the Minnesota National Guard.

APPENDIX  
Article locations in 15-0360

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**120B.128 EDUCATIONAL PLANNING AND ASSESSMENT SYSTEM (EPAS) PROGRAM.**

(a) School districts and charter schools may elect to participate in the Educational Planning and Assessment System (EPAS) program offered by ACT, Inc. to provide a longitudinal, systematic approach to student educational and career planning, assessment, instructional support, and evaluation. The EPAS achievement tests include English, reading, mathematics, science, and components on planning for high school and postsecondary education, interest inventory, needs assessments, and student education plans. These tests are linked to the ACT assessment for college admission and allow students, parents, teachers, and schools to determine the student's college readiness before grades 11 and 12.

(b) The commissioner of education shall provide ACT Explore tests for students in grade 8 and the ACT Plan test for students in grade 10 to assess individual student academic strengths and weaknesses, academic achievement and progress, higher order thinking skills, and college readiness.

(c) Students enrolled in grade 8 through the 2011-2012 school year who have not yet demonstrated proficiency on the Minnesota Comprehensive Assessments, the graduation-required assessments for diploma, or the basic skills testing requirements prior to high school graduation may satisfy state high school graduation requirements for assessments in reading, mathematics, and writing by taking the graduation-required assessment for diploma in reading, mathematics, or writing under Minnesota Statutes 2012, section 120B.30, subdivision 1, paragraph (c), clauses (1) and (2), the WorkKeys job skills assessment, the Compass college placement test, a nationally recognized armed services vocation aptitude test, or the ACT assessment for college admission.

(d) The state shall pay the test costs for public school students to participate in the assessments under this section. The commissioner shall establish an application procedure and a process for state payment of costs.

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

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

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

**125A.63 RESOURCE CENTERS; DEAF OR HARD OF HEARING AND BLIND OR VISUALLY IMPAIRED.**

Subdivision 1. **Also for multiply disabled.** Resource centers for the deaf or hard of hearing, and the blind or visually impaired, each also serving multiply disabled pupils, are transferred to the Department of Education.

Subd. 2. **Programs.** The resource centers must offer summer institutes or other training programs throughout the state for deaf or hard-of-hearing, blind or visually impaired, and multiply disabled pupils. The resource centers must also offer workshops for teachers, and leadership development for teachers.

A program offered through the resource centers must promote and develop education programs offered by school districts or other organizations. The program must assist school districts or other organizations to develop innovative programs.

Subd. 3. **Programs by nonprofits.** The resource centers may contract to have nonprofit organizations provide programs through the resource centers.

**126C.12 LEARNING AND DEVELOPMENT REVENUE AMOUNT AND USE.**

Subd. 6. **Annual report.** By December 1 of each year, districts receiving revenue under subdivision 1 shall make available to the public a report on the amount of revenue the district has received and the use of the revenue. This report shall be in the form and manner determined

APPENDIX

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by the commissioner and shall include the district average class sizes in kindergarten through grade 6 as of October 1 of the current school year and the class sizes for each site serving kindergarten through grade 6 students in the district. A copy of the report shall be filed with the commissioner by December 15.

**126C.41 BENEFITS LEVIES.**

Subdivision 1. **Health insurance.** (a) A district may levy the amount necessary to make employer contributions for insurance for retired employees under this subdivision.

(b) The school board of a joint vocational technical district formed under the provisions formerly codified as sections 136C.60 to 136C.69 and the school board of a school district may provide employer-paid hospital, medical, and dental benefits to a person who:

(1) is eligible for employer-paid insurance under collective bargaining agreements or personnel plans in effect on June 30, 1992;

(2) has at least 25 years of service credit in the public pension plan of which the person is a member on the day before retirement or, in the case of a teacher, has a total of at least 25 years of service credit in the teachers retirement association, a first-class city teacher retirement fund, or any combination of these;

(3) upon retirement is immediately eligible for a retirement annuity;

(4) is at least 55 and not yet 65 years of age; and

(5) retires on or after May 15, 1992, and before July 21, 1992.

A school board paying insurance under this subdivision may not exclude any eligible employees.

(c) An employee who is eligible both for the health insurance benefit under this subdivision and for an early retirement incentive under a collective bargaining agreement or personnel plan established by the employer must select either the early retirement incentive provided under the collective bargaining agreement personnel plan or the incentive provided under this subdivision, but may not receive both. For purposes of this subdivision, a person retires when the person terminates active employment and applies for retirement benefits. The retired employee is eligible for single and dependent coverages and employer payments to which the person was entitled immediately before retirement, subject to any changes in coverage and employer and employee payments through collective bargaining or personnel plans, for employees in positions equivalent to the position from which the employee retired. The retired employee is not eligible for employer-paid life insurance. Eligibility ceases when the retired employee attains the age of 65, or when the employee chooses not to receive the retirement benefits for which the employee has applied, or when the employee is eligible for employer-paid health insurance from a new employer. Coverages must be coordinated with relevant health insurance benefits provided through the federally sponsored Medicare program.

(d) Unilateral implementation of this section by a public employer is not an unfair labor practice for purposes of chapter 179A. The authority provided in this subdivision for an employer to pay health insurance costs for certain retired employees is not subject to the limits in section 179A.20, subdivision 2a.

(e) If a school district levies according to this subdivision, it may not also levy according to section 123A.73, subdivision 12, for eligible employees.