

**SENATE
STATE OF MINNESOTA
NINETY-SECOND SESSION**

S.F. No. 1555

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DATE	D-PG	OFFICIAL STATUS
03/01/2021	606	Introduction and first reading Referred to Education Finance and Policy
03/15/2021		Comm report: To pass as amended and re-refer to Jobs and Economic Growth Finance and Policy

1.1 A bill for an act

1.2 relating to career preparedness; creating a career pathway grant program;

1.3 authorizing online learning through contracts with qualifying supplemental online

1.4 learning providers; appropriating money; amending Minnesota Statutes 2020,

1.5 sections 124D.095; 124D.096.

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

1.7 Section 1. Minnesota Statutes 2020, section 124D.095, is amended to read:

1.8 **124D.095 ONLINE LEARNING OPTION.**

1.9 Subdivision 1. **Citation.** This section may be cited as the "Online Learning Option Act."

1.10 Subd. 2. **Definitions.** For purposes of this section, the following terms have the meanings

1.11 given them.

1.12 (a) "Digital learning" is learning facilitated by technology that offers students an element

1.13 of control over the time, place, path, or pace of their learning and includes blended and

1.14 online learning.

1.15 (b) "Blended learning" is a form of digital learning that occurs when a student learns

1.16 part time in a supervised physical setting and part time through digital delivery of instruction,

1.17 or a student learns in a supervised physical setting where technology is used as a primary

1.18 method to deliver instruction.

1.19 (c) "Online learning" is a form of digital learning delivered by an approved online

1.20 learning provider under paragraph (d).

1.21 (d) "Online learning provider" is a school district, an intermediate school district, an

1.22 organization of two or more school districts operating under a joint powers agreement, or

2.1 a charter school located in Minnesota that provides online learning to students and is approved
2.2 by the department to provide online learning courses.

2.3 (e) "Student" is a Minnesota resident enrolled in a school under section 120A.22,
2.4 subdivision 4, in kindergarten through grade 12.

2.5 (f) "Online learning student" is a student enrolled in an online learning course or program
2.6 delivered by an online learning provider under paragraph (d).

2.7 (g) "Enrolling district" means the school district or charter school in which a student is
2.8 enrolled under section 120A.22, subdivision 4, for purposes of compulsory attendance.

2.9 (h) "Supplemental online learning" means an online learning course taken in place of a
2.10 course period at a local district school.

2.11 (i) "Full-time online learning provider" means an enrolling school authorized by the
2.12 department to deliver comprehensive public education at any or all of the elementary, middle,
2.13 or high school levels.

2.14 (j) "Online learning course syllabus" is a written document that an online learning
2.15 provider transmits to the enrolling district using a format prescribed by the commissioner
2.16 to identify the state academic standards embedded in an online course, the course content
2.17 outline, required course assessments, expectations for actual teacher contact time and other
2.18 student-to-teacher communications, and the academic support available to the online learning
2.19 student.

2.20 (k) "Contracted career pathway online course" means an online learning course taken
2.21 in place of a course period at a local district school that requires the same approval, is subject
2.22 to the same procedures as a supplemental online learning course, and is focused on a career
2.23 pathway.

2.24 Subd. 3. **Authorization; notice; limitations on enrollment.** (a) A student may apply
2.25 for full-time enrollment in an approved online learning program under section 124D.03 or
2.26 124D.08 or chapter 124E. Notwithstanding sections 124D.03 and 124D.08 and chapter
2.27 124E, procedures for enrolling in supplemental online learning are as provided in this
2.28 subdivision. A student age 17 or younger must have the written consent of a parent or
2.29 guardian to apply. No school district or charter school may prohibit a student from applying
2.30 to enroll in online learning. In order to enroll in online learning, the student and the student's
2.31 parents must submit an application to the online learning provider and identify the student's
2.32 reason for enrolling. An online learning provider that accepts a student under this section
2.33 must notify the student and the enrolling district in writing within ten days if the enrolling

3.1 district is not the online learning provider. The student and the student's parent must notify
3.2 the online learning provider of the student's intent to enroll in online learning within ten
3.3 days of being accepted, at which time the student and the student's parent must sign a
3.4 statement indicating that they have reviewed the online course or program and understand
3.5 the expectations of enrolling in online learning. The online learning provider must use a
3.6 form provided by the department to notify the enrolling district of the student's application
3.7 to enroll in online learning.

3.8 (b) The supplemental online learning notice to the enrolling district when a student
3.9 applies to the online learning provider will include the courses or program, credits to be
3.10 awarded, and the start date of the online course or program. An online learning provider
3.11 must make available the supplemental online course syllabus to the enrolling district. Within
3.12 15 days after the online learning provider makes information in this paragraph available to
3.13 the enrolling district, the enrolling district must notify the online provider whether the
3.14 student, the student's parent, and the enrolling district agree or disagree that the course meets
3.15 the enrolling district's graduation requirements. A student may enroll in a supplemental
3.16 online learning course up to the midpoint of the enrolling district's term. The enrolling
3.17 district may waive this requirement for special circumstances and with the agreement of
3.18 the online provider. An online learning course or program that meets or exceeds a graduation
3.19 standard or the grade progression requirement of the enrolling district as described in the
3.20 provider's online course syllabus meets the corresponding graduation requirements applicable
3.21 to the student in the enrolling district. If the enrolling district does not agree that the course
3.22 or program meets its graduation requirements, then:

3.23 (1) the enrolling district must make available an explanation of its decision to the student,
3.24 the student's parent, and the online provider; and

3.25 (2) the online provider may make available a response to the enrolling district, showing
3.26 how the course or program meets the graduation requirements of the enrolling district.

3.27 (c) A school district contracting with an approved supplemental online course provider
3.28 for a career pathway must provide career pathway counseling and other student supports
3.29 for a student enrolling in the contracted career pathway online course.

3.30 (d) An online learning provider must notify the commissioner that it is delivering online
3.31 learning and report the number of online learning students it accepts and the online learning
3.32 courses and programs it delivers.

4.1 ~~(d)~~ (e) An online learning provider may limit enrollment if the provider's school board
4.2 or board of directors adopts by resolution specific standards for accepting and rejecting
4.3 students' applications.

4.4 ~~(e)~~ (f) An enrolling district may reduce an online learning student's regular classroom
4.5 instructional membership in proportion to the student's membership in online learning
4.6 courses. An enrolling district must not reduce regular instructional membership for students
4.7 participating in a contracted career pathway online course.

4.8 ~~(f)~~ (g) The online provider must report or make available information on an individual
4.9 student's progress and accumulated credit to the student, the student's parent, and the enrolling
4.10 district in a manner specified by the commissioner unless the enrolling district and the online
4.11 provider agree to a different form of notice and notify the commissioner. The enrolling
4.12 district must designate a contact person to help facilitate and monitor the student's academic
4.13 progress and accumulated credits towards graduation.

4.14 Subd. 4. **Online learning parameters.** (a) An online learning student must receive
4.15 academic credit for completing the requirements of an online learning course or program.
4.16 Secondary credits granted to an online learning student count toward the graduation and
4.17 credit requirements of the enrolling district. The enrolling district must apply the same
4.18 graduation requirements to all students, including online learning students, and must continue
4.19 to provide nonacademic services to online learning students. If a student completes an online
4.20 learning course or program that meets or exceeds a graduation standard or the grade
4.21 progression requirement at the enrolling district, that standard or requirement is met. The
4.22 enrolling district must use the same criteria for accepting online learning credits or courses
4.23 as it does for accepting credits or courses for transfer students under section 124D.03,
4.24 subdivision 9. The enrolling district may reduce the course schedule of an online learning
4.25 student in proportion to the number of online learning courses the student takes from an
4.26 online learning provider that is not the enrolling district.

4.27 (b) An online learning student may:

4.28 (1) enroll in supplemental or contracted career pathway online learning courses equal
4.29 to a maximum of 50 percent of the student's full schedule of courses per term during a single
4.30 school year and the student may exceed the supplemental online learning registration limit
4.31 if the enrolling district permits supplemental online learning enrollment above the limit, or
4.32 if the enrolling district and the online learning provider agree to the instructional services;

4.33 (2) complete course work at a grade level that is different from the student's current
4.34 grade level; and

5.1 (3) enroll in additional courses with the online learning provider under a separate
5.2 agreement that includes terms for paying any tuition or course fees.

5.3 (c) An online learning student has the same access to the computer hardware and
5.4 education software available in a school as all other students in the enrolling district. An
5.5 online learning provider must assist an online learning student whose family qualifies for
5.6 the education tax credit under section 290.0674 to acquire computer hardware and educational
5.7 software for online learning purposes.

5.8 (d) An enrolling district may offer digital learning to its enrolled students. Such digital
5.9 learning does not generate online learning funds under this section. An enrolling district
5.10 that offers digital learning only to its enrolled students is not subject to the reporting
5.11 requirements or review criteria under subdivision 7, unless the enrolling district is a full-time
5.12 online learning provider. A teacher with a Minnesota license must assemble and deliver
5.13 instruction to enrolled students receiving online learning from an enrolling district. The
5.14 delivery of instruction occurs when the student interacts with the computer or the teacher
5.15 and receives ongoing assistance and assessment of learning. The instruction may include
5.16 curriculum developed by persons other than a teacher holding a Minnesota license.

5.17 (e) Both full-time and supplemental online learning providers are subject to the reporting
5.18 requirements and review criteria under subdivision 7. A teacher holding a Minnesota license
5.19 must assemble and deliver instruction to online learning students. The delivery of instruction
5.20 occurs when the student interacts with the computer or the teacher and receives ongoing
5.21 assistance and assessment of learning. The instruction may include curriculum developed
5.22 by persons other than a teacher holding a Minnesota license. Unless the commissioner grants
5.23 a waiver, a teacher providing online learning instruction must not instruct more than 40
5.24 students in any one online learning course or program.

5.25 (f) To enroll in more than 50 percent of the student's full schedule of courses per term
5.26 in online learning, the student must qualify to exceed the supplemental online learning
5.27 registration limit under paragraph (b) or apply to enroll in an approved full-time online
5.28 learning program, consistent with subdivision 3, paragraph (a). Full-time online learning
5.29 students may enroll in classes at a local school under a contract for instructional services
5.30 between the online learning provider and the school district.

5.31 Subd. 5. **Participation in extracurricular activities.** An online learning student may
5.32 participate in the extracurricular activities of the enrolling district on the same basis as other
5.33 enrolled students.

6.1 Subd. 6. **Information.** School districts and charter schools must make available
6.2 information about online learning to all interested people.

6.3 Subd. 7. **Department of Education.** (a) The department must review and approve or
6.4 disapprove online learning providers within 90 calendar days of receiving an online learning
6.5 provider's completed application. The commissioner, using research-based standards of
6.6 quality for online learning programs, must review all approved online learning providers
6.7 on a cyclical three-year basis. Approved online learning providers annually must submit
6.8 program data to, confirm statements of assurances for, and provide program updates including
6.9 a current course list to the commissioner.

6.10 (b) The online learning courses and programs must be rigorous, aligned with state
6.11 academic standards, and contribute to grade progression in a single subject. The online
6.12 learning provider, other than a digital learning provider offering digital learning to its enrolled
6.13 students only under subdivision 4, paragraph (d), must give the commissioner written
6.14 assurance that: (1) all courses meet state academic standards; and (2) the online learning
6.15 curriculum, instruction, and assessment, expectations for actual teacher-contact time or
6.16 other student-to-teacher communication, and academic support meet nationally recognized
6.17 professional standards and are described as such in an online learning course syllabus that
6.18 meets the commissioner's requirements. Once an online learning provider is approved under
6.19 this paragraph, all of its online learning course offerings are eligible for payment under this
6.20 section unless a course is successfully challenged by an enrolling district or the department
6.21 under paragraph (c).

6.22 (c) An enrolling district may challenge the validity of a course offered by an online
6.23 learning provider. The department must review such challenges based on the approval
6.24 procedures under paragraph (b). The department may initiate its own review of the validity
6.25 of an online learning course offered by an online learning provider.

6.26 (d) The department may collect a fee not to exceed \$250 for approving online learning
6.27 providers or \$50 per course for reviewing a challenge by an enrolling district.

6.28 (e) The department must develop, publish, and maintain a list of online learning providers
6.29 that it has reviewed and approved.

6.30 (f) The department may review a complaint about an online learning provider, or a
6.31 complaint about a provider based on the provider's response to notice of a violation. If the
6.32 department determines that an online learning provider violated a law or rule, the department
6.33 may:

6.34 (1) create a compliance plan for the provider; or

7.1 (2) withhold funds from the provider under sections 124D.095, 124E.25, and 127A.42.
7.2 The department must notify an online learning provider in writing about withholding funds
7.3 and provide detailed calculations.

7.4 Subd. 8. **Financial arrangements.** (a) For a student enrolled in an online learning course,
7.5 other than a contracted career pathway online course, the department must calculate average
7.6 daily membership and make payments according to this subdivision.

7.7 (b) The initial online learning average daily membership equals 1/12 for each semester
7.8 course or a proportionate amount for courses of different lengths. The adjusted online
7.9 learning average daily membership equals the initial online learning average daily
7.10 membership times .88.

7.11 (c) No online learning average daily membership shall be generated if: (1) the student
7.12 does not complete the online learning course, or (2) the student is enrolled in online learning
7.13 provided by the enrolling district.

7.14 (d) Online learning average daily membership under this subdivision for a student
7.15 currently enrolled in a Minnesota public school shall be used only for computing average
7.16 daily membership according to section 126C.05, subdivision 19, paragraph (a), clause (2),
7.17 and for computing online learning aid according to section 124D.096.

7.18 (e) For a student enrolled in a contracted career pathway online course, the department
7.19 must continue to count the student in average daily membership in the enrolling district.

7.20 (f) The enrolling district must transfer funds to the supplemental online provider offering
7.21 the contracted career pathway online course according to the provisions of the contract
7.22 between the enrolling district and the supplemental online provider. The supplemental online
7.23 provider may reduce the amount to be paid by the enrolling district by any other state aids
7.24 received specifically for this purpose.

7.25 **EFFECTIVE DATE.** This section is effective for the 2021-2022 school year and later.

7.26 Sec. 2. Minnesota Statutes 2020, section 124D.096, is amended to read:

7.27 **124D.096 ONLINE LEARNING AID.**

7.28 (a) The online learning aid for an online learning provider equals the product of the
7.29 adjusted online learning average daily membership for students under section 124D.095,
7.30 subdivision 8, paragraph (d), times the student grade level weighting under section 126C.05,
7.31 subdivision 1, times the formula allowance.

8.1 (b) Notwithstanding section 127A.45, the department must pay each online learning
8.2 provider the current year aid payment percentage multiplied by the amount in paragraph
8.3 (a) within 45 days of receiving final enrollment and course completion information each
8.4 quarter or semester. The final adjustment payment must be the amount of the actual
8.5 entitlement, after adjustment for actual data, minus the payments made during the fiscal
8.6 year of the entitlement. This payment must be made on September 30 of the next fiscal year.

8.7 (c) No online learning aid is paid by the state to the supplemental online provider for a
8.8 student participating in a contracted career pathway course under section 124D.095. All
8.9 other aids for that student must be paid to the enrolling school district regardless of the
8.10 student's participation in the contracted career pathway course.

8.11 **EFFECTIVE DATE.** This section is effective for the 2021-2022 school year and later.

8.12 Sec. 3. **APPROPRIATION; CAREER PATHWAY SUPPORT PROGRAM.**

8.13 (a) \$100,000 in fiscal year 2022 is appropriated from the general fund to the Department
8.14 of Labor and Industry for a grant to Minnesota Virtual Academy for its career pathway
8.15 program with Operating Engineers Local 49. The program may include up to five semesters
8.16 of courses and must lead to eligibility into the Operating Engineers apprenticeship program.

8.17 (b) The grant is to encourage participation in the career pathway program by encouraging
8.18 school districts to provide additional academic and counseling support to ensure the student's
8.19 success in the program.

8.20 (c) This appropriation is available until June 30, 2023.