

SENATE
STATE OF MINNESOTA
EIGHTY-SEVENTH LEGISLATURE

S.F. No. 1302

(SENATE AUTHORS: THOMPSON)

| DATE | D-PG | OFFICIAL STATUS |
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| 04/26/2011 | 1410 | Introduction and first reading Referred to Education |

1.1 A bill for an act

1.2 relating to education; creating a school grading system; creating a school
1.3 recognition program; modifying school report cards; authorizing rulemaking;
1.4 requiring a report; amending Minnesota Statutes 2010, section 120B.36,
1.5 subdivision 1, by adding subdivisions; proposing coding for new law in
1.6 Minnesota Statutes, chapter 120B.

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

1.8 Section 1. Minnesota Statutes 2010, section 120B.36, subdivision 1, is amended to read:

1.9 Subdivision 1. **School performance report cards.** (a) The commissioner shall
1.10 report the school's improvement rating under subdivision 3; the district's grade under
1.11 subdivision 4; the school's grade under section 120B.37, subdivision 3; student academic
1.12 performance under section 120B.35, subdivision 2; the percentages of students showing
1.13 low, medium, and high growth under section 120B.35, subdivision 3, paragraph (b);
1.14 school safety and student engagement and connection under section 120B.35, subdivision
1.15 3, paragraph (d); rigorous coursework under section 120B.35, subdivision 3, paragraph
1.16 (c); two separate student-to-teacher ratios that clearly indicate the definition of teacher
1.17 consistent with sections 122A.06 and 122A.15 for purposes of determining these ratios;
1.18 staff characteristics excluding salaries; student enrollment demographics; district mobility;
1.19 and extracurricular activities. The report also must indicate a school's adequate yearly
1.20 progress status, and must not set any designations applicable to high- and low-performing
1.21 schools due solely to adequate yearly progress status.

1.22 (b) The commissioner shall develop, annually update, and post on the department
1.23 Web site school performance report cards.

1.24 (c) The commissioner must make available performance report cards by the
1.25 beginning of each school year.

2.1 (d) A school or district may appeal its adequate yearly progress status in writing to
2.2 the commissioner within 30 days of receiving the notice of its status. The commissioner's
2.3 decision to uphold or deny an appeal is final.

2.4 (e) School performance report card data are nonpublic data under section 13.02,
2.5 subdivision 9, until not later than ten days after the appeal procedure described in
2.6 paragraph (d) concludes. The department shall annually post school performance report
2.7 cards to its public Web site no later than September 1.

2.8 Sec. 2. Minnesota Statutes 2010, section 120B.36, is amended by adding a subdivision
2.9 to read:

2.10 Subd. 3. **School improvement rating.** The annual report shall identify each
2.11 school's performance as having improved, remained the same, or declined. This school
2.12 improvement rating shall be based on a comparison of the current year's and previous
2.13 year's student and school performance data.

2.14 Sec. 3. Minnesota Statutes 2010, section 120B.36, is amended by adding a subdivision
2.15 to read:

2.16 Subd. 4. **District grade.** The annual report under subdivision 1, shall include
2.17 a district grade, which shall consist of weighted district average grades, by level, for all
2.18 elementary schools, middle schools, and high schools in the district. A district's weighted
2.19 average grade shall be calculated by weighting individual school grades under subdivision
2.20 1, determined pursuant to section 120B.37, by school enrollment.

2.21 Sec. 4. **[120B.37] SCHOOL GRADING SYSTEM.**

2.22 Subdivision 1. **Definitions.** (a) The terms defined in this subdivision apply to this
2.23 section.

2.24 (b) "Eligible student" means any student, except a student:

2.25 (1) attending an alternative school who is subject to school district or charter school
2.26 policies for expulsion for repeated or serious offenses;

2.27 (2) who is in a dropout retrieval program serving students who have officially been
2.28 designated as dropouts; or

2.29 (3) who are in programs operated or contracted by the Department of Juvenile
2.30 Justice.

2.31 Subd. 2. **Grading system.** (a) The Department of Education shall adopt rules
2.32 creating a formula for determining a school's score consistent with:

3.1 (1) 50 percent based on the aggregate scores of all eligible students enrolled in
3.2 the school who have been assessed on all statewide, standardized assessments required
3.3 under section 120B.30;

3.4 (2) 25 percent based on student learning gains in reading and mathematics as
3.5 measured under section 120B.35;

3.6 (3) 15 percent based on the student learning gains as measured under section
3.7 120B.35, of the lowest quartile of students in the school in reading on the assessments
3.8 required under section 120B.30, unless these students are at or above grade level
3.9 performance; and

3.10 (4) ten percent based on the student learning gains as measured under section
3.11 120B.35, of the lowest quartile of students in the school in mathematics on the assessments
3.12 required under section 120B.30, unless these students are at or above grade level
3.13 performance.

3.14 (b) The Department of Education shall adopt rules setting cutoff scores for the
3.15 following school grades:

3.16 (1) "A," schools making excellent progress;

3.17 (2) "B," schools making above average progress;

3.18 (3) "C," schools making satisfactory progress;

3.19 (4) "D," schools making less than satisfactory progress; and

3.20 (5) "F," schools failing to make adequate progress.

3.21 (c) In any year in which 80 percent or more of the schools that have a grade applied
3.22 under subdivision 3 earn a grade of A or B, the department shall raise the score required to
3.23 earn a school grade for that level of school by five percent statewide.

3.24 Subd. 3. **Application of grades.** Each school that has students who are tested and
3.25 included in the school grading system shall receive a school grade, unless the number of
3.26 its students tested and included in the school grading system is less than the minimum
3.27 sample size necessary, based on accepted professional practice, for statistical reliability
3.28 and prevention of the unlawful release of personally identifiable student data.

3.29 **Sec. 5. [120B.38] SCHOOL RECOGNITION PROGRAM.**

3.30 Subdivision 1. **Findings and intent.** The legislature finds that there is a need for
3.31 a performance incentive program for outstanding faculty and staff in highly productive
3.32 schools. The legislature further finds that performance-based incentives are commonplace
3.33 in the private sector and should be infused into the public sector as a reward for
3.34 productivity.

4.1 Subd. 2. **Eligibility.** All school sites, including charter schools, are eligible to
4.2 receive school recognition awards if:

4.3 (1) a school received an "A" under section 120B.37, subdivision 3, in the previous
4.4 school year;

4.5 (2) a school improved at least one letter grade under section 120B.37, subdivision 3,
4.6 in the previous school year; or

4.7 (3) a school that had improved more than one letter grade, two years prior, under
4.8 section 120B.37, subdivision 3, maintained that letter grade in the previous school year.

4.9 Subd. 3. **Distribution.** The Department of Education shall annually divide the
4.10 appropriation for school recognition awards by the number of pupils served in all schools
4.11 eligible that year under subdivision 2, and distribute to each school its share. Funds must
4.12 be distributed to the school's fiscal agent and placed in the school's account and must be
4.13 used for purposes listed in subdivision 4, as determined jointly by the school's staff. If
4.14 school staff cannot reach agreement by November 1, the awards will be distributed by the
4.15 school principal or charter school director.

4.16 Subd. 4. **Usage.** (a) School recognition awards must be used for the following:

4.17 (1) nonrecurring bonuses to the faculty and staff;

4.18 (2) nonrecurring expenditures for educational equipment or materials to assist in
4.19 maintaining and improving student performance; or

4.20 (3) temporary personnel for the school to assist in maintaining and improving
4.21 student performance.

4.22 (b) Notwithstanding any law to the contrary, school recognition awards are not
4.23 subject to collective bargaining.

4.24 **Sec. 6. INCREASED FINANCIAL FLEXIBILITY REPORT.**

4.25 The Department of Education, by February 1, 2012, shall report to the legislative
4.26 committees with jurisdiction over kindergarten through grade 12 education policy and
4.27 finance, recommendations on fiscal mandates that could be waived to give schools
4.28 that achieve an "A" under Minnesota Statutes, section 120B.37, subdivision 3, or that
4.29 improve more than one grade within a year, under Minnesota Statutes, section 120B.37,
4.30 subdivision 3, greater financial flexibility.

4.31 **Sec. 7. RULEMAKING.**

4.32 The Department of Education shall adopt rules to implement the school grading
4.33 system under Minnesota Statutes, section 120B.37, and the school recognition program
4.34 under Minnesota Statutes, section 120B.38.