

CHAPTER 124D

EDUCATION PROGRAMS

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124D.09 POSTSECONDARY ENROLLMENT OPTIONS ACT.

[For text of subs 1 to 11, see M.S.2004]

Subd. 12. **Credits.** A pupil may enroll in a course under this section for either secondary credit or postsecondary credit. At the time a pupil enrolls in a course, the pupil shall designate whether the course is for secondary or postsecondary credit. A pupil taking several courses may designate some for secondary credit and some for postsecondary credit. A pupil must not audit a course under this section.

A district shall grant academic credit to a pupil enrolled in a course for secondary credit if the pupil successfully completes the course. Seven quarter or four semester college credits equal at least one full year of high school credit. Fewer college credits may be prorated. A district must also grant academic credit to a pupil enrolled in a course for postsecondary credit if secondary credit is requested by a pupil. If no comparable course is offered by the district, the district must, as soon as possible, notify the commissioner, who shall determine the number of credits that shall be granted to a pupil who successfully completes a course. If a comparable course is offered by the district, the school board shall grant a comparable number of credits to the pupil. If there is a dispute between the district and the pupil regarding the number of credits granted for a particular course, the pupil may appeal the board's decision to the commissioner. The commissioner's decision regarding the number of credits shall be final.

The secondary credits granted to a pupil must be counted toward the graduation requirements and subject area requirements of the district. Evidence of successful completion of each course and secondary credits granted must be included in the pupil's secondary school record. A pupil shall provide the school with a copy of the pupil's grade in each course taken for secondary credit under this section. Upon the request of a pupil, the pupil's secondary school record must also include evidence of successful completion and credits granted for a course taken for postsecondary credit. In either case, the record must indicate that the credits were earned at a postsecondary institution.

If a pupil enrolls in a postsecondary institution after leaving secondary school, the postsecondary institution must award postsecondary credit for any course successfully completed for secondary credit at that institution. Other postsecondary institutions may award, after a pupil leaves secondary school, postsecondary credit for any courses successfully completed under this section. An institution may not charge a pupil for the award of credit.

The Board of Trustees of the Minnesota State Colleges and Universities and the Board of Regents of the University of Minnesota must, and private nonprofit and proprietary postsecondary institutions should, award postsecondary credit for any successfully completed courses in a program certified by the National Alliance of

Concurrent Enrollment Partnerships offered according to an agreement under subdivision 10.

[For text of subs 13 to 26, see M.S.2004]

History: 1Sp2005 c 5 art 2 s 57

124D.095 ONLINE LEARNING OPTION.

[For text of subd 1, see M.S.2004]

Subd. 2. Definitions. For purposes of this section, the following terms have the meanings given them.

(a) "Online learning" is an interactive course or program that delivers instruction from a teacher to a student by computer; is combined with other traditional delivery methods that include frequent student assessment and may include actual teacher contact time; and meets or exceeds state academic standards.

(b) "Online learning provider" is a school district, an intermediate school district, an organization of two or more school districts operating under a joint powers agreement, or a charter school located in Minnesota that provides online learning to students.

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

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

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

[For text of subd 3, see M.S.2004]

Subd. 4. Online learning parameters. (a) An online learning student must receive academic credit for completing the requirements of an online learning course or program. Secondary credits granted to an online learning student must be counted toward the graduation and credit requirements of the enrolling district. The enrolling district must apply the same graduation requirements to all students, including online learning students, and must continue to provide nonacademic services to online learning students. If a student completes an online learning course or program that meets or exceeds a graduation standard or grade progression requirement at the enrolling district, that standard or requirement is met. The enrolling district must use the same criteria for accepting online learning credits or courses as it does for accepting credits or courses for transfer students under section 124D.03, subdivision 9. The enrolling district may reduce the teacher contact time of an online learning student in proportion to the number of online learning courses the student takes from an online learning provider that is not the enrolling district.

(b) An online learning student may:

(1) enroll during a single school year in a maximum of 12 semester-long courses or their equivalent delivered by an online learning provider or the enrolling district;

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

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

(c) A student with a disability may enroll in an online learning course or program if the student's IEP team determines that online learning is appropriate education for the student.

(d) An online learning student has the same access to the computer hardware and education software available in a school as all other students in the enrolling district. An online learning provider must assist an online learning student whose family

qualifies for the education tax credit under section 290.0674 to acquire computer hardware and educational software for online learning purposes.

(e) An enrolling district may offer online learning to its enrolled students. Such online learning does not generate online learning funds under this section. An enrolling district that offers online learning only to its enrolled students is not subject to the reporting requirements or review criteria under subdivision 7. A teacher with a Minnesota license must assemble and deliver instruction to enrolled students receiving online learning from an enrolling district. The delivery of instruction occurs when the student interacts with the computer or the teacher and receives ongoing assistance and assessment of learning. The instruction may include curriculum developed by persons other than a teacher with a Minnesota license.

(f) An online learning provider that is not the enrolling district is subject to the reporting requirements and review criteria under subdivision 7. A teacher with a Minnesota license must assemble and deliver instruction to online learning students. The delivery of instruction occurs when the student interacts with the computer or the teacher and receives ongoing assistance and assessment of learning. The instruction may include curriculum developed by persons other than a teacher with a Minnesota license. Unless the commissioner grants a waiver, a teacher providing online learning instruction must not instruct more than 40 students in any one online learning course or program.

[For text of subds 5 to 7, see M.S.2004]

Subd. 8. Financial arrangements. (a) For a student enrolled in an online learning course, the department must calculate average daily membership and make payments according to this subdivision.

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

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

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

Subd. 9. [Repealed, 1Sp2005 c 5 art 2 s 85]

Subd. 10. Online Learning Advisory Council. (a) An Online Learning Advisory Council is established under section 15.059, except that the term for each council member shall be three years. The advisory council is composed of 12 members from throughout the state who have demonstrated experience with or interest in online learning. The members of the council shall be appointed by the commissioner. The advisory council shall bring to the attention of the commissioner any matters related to online learning and provide input to the department in matters related, but not restricted, to:

- (1) quality assurance;
- (2) teacher qualifications;
- (3) program approval;
- (4) special education;
- (5) attendance;
- (6) program design and requirements; and
- (7) fair and equal access to programs.

(b) The Online Learning Advisory Council under this subdivision expires June 30, 2008.

History: 1Sp2005 c 5 art 2 s 58; art 4 s 12-14

124D.10 CHARTER SCHOOLS.

[For text of subds 1 to 3, see M.S.2004]

Subd. 4. Formation of school. (a) A sponsor may authorize one or more licensed teachers under section 122A.18, subdivision 1, to operate a charter school subject to approval by the commissioner. A board must vote on charter school application for sponsorship no later than 90 days after receiving the application. After 90 days, the applicant may apply to the commissioner. If a board elects not to sponsor a charter school, the applicant may appeal the board's decision to the commissioner who may elect to assist the applicant in finding an eligible sponsor. The school must be organized and operated as a cooperative under chapter 308A or nonprofit corporation under chapter 317A and the provisions under the applicable chapter shall apply to the school except as provided in this section. Notwithstanding sections 465.717 and 465.719, a school district may create a corporation for the purpose of creating a charter school.

(b) Before the operators may form and operate a school, the sponsor must file an affidavit with the commissioner stating its intent to authorize a charter school. The affidavit must state the terms and conditions under which the sponsor would authorize a charter school and how the sponsor intends to oversee the fiscal and student performance of the charter school and to comply with the terms of the written contract between the sponsor and the charter school board of directors under subdivision 6. The commissioner must approve or disapprove the sponsor's proposed authorization within 90 days of receipt of the affidavit. Failure to obtain commissioner approval precludes a sponsor from authorizing the charter school that was the subject of the affidavit.

(c) The operators authorized to organize and operate a school, before entering into a contract or other agreement for professional or other services, goods, or facilities, must incorporate as a cooperative under chapter 308A or as a nonprofit corporation under chapter 317A and must establish a board of directors composed of at least five members until a timely election for members of the charter school board of directors is held according to the school's articles and bylaws. A charter school board of directors must be composed of at least five members. Any staff members who are employed at the school, including teachers providing instruction under a contract with a cooperative, and all parents of children enrolled in the school may participate in the election for members of the school's board of directors. Licensed teachers employed at the school, including teachers providing instruction under a contract with a cooperative, must be a majority of the members of the board of directors before the school completes its third year of operation, unless the commissioner waives the requirement for a majority of licensed teachers on the board. Board of director meetings must comply with chapter 13D.

(d) The granting or renewal of a charter by a sponsoring entity must not be conditioned upon the bargaining unit status of the employees of the school.

(e) A sponsor may authorize the operators of a charter school to expand the operation of the charter school to additional sites or to add additional grades at the school beyond those described in the sponsor's application as approved by the commissioner only after submitting a supplemental application to the commissioner in a form and manner prescribed by the commissioner. The supplemental application must provide evidence that:

(1) the expansion of the charter school is supported by need and projected enrollment;

(2) the charter school is fiscally sound;

(3) the sponsor supports the expansion; and

(4) the building of the additional site meets all health and safety requirements to be eligible for lease aid.

(f) The commissioner annually must provide timely financial management training to newly elected members of a charter school board of directors and ongoing training to other members of a charter school board of directors. Training must address ways to:

- (1) proactively assess opportunities for a charter school to maximize all available revenue sources;
- (2) establish and maintain complete, auditable records for the charter school;
- (3) establish proper filing techniques;
- (4) document formal actions of the charter school, including meetings of the charter school board of directors;
- (5) properly manage and retain charter school and student records;
- (6) comply with state and federal payroll record-keeping requirements; and
- (7) address other similar factors that facilitate establishing and maintaining complete records on the charter school's operations.

[For text of subs 4a and 5, see M.S.2004]

Subd. 6. **Contract.** The sponsor's authorization for a charter school must be in the form of a written contract signed by the sponsor and the board of directors of the charter school. The contract must be completed within 90 days of the commissioner's approval of the sponsor's proposed authorization. The contract for a charter school must be in writing and contain at least the following:

- (1) a description of a program that carries out one or more of the purposes in subdivision 1;
- (2) specific outcomes pupils are to achieve under subdivision 10;
- (3) admission policies and procedures;
- (4) management and administration of the school;
- (5) requirements and procedures for program and financial audits;
- (6) how the school will comply with subdivisions 8, 13, 16, and 23;
- (7) assumption of liability by the charter school;
- (8) types and amounts of insurance coverage to be obtained by the charter school;
- (9) the term of the contract, which may be up to three years;
- (10) if the board of directors or the operators of the charter school provide special instruction and services for children with a disability under sections 125A.03 to 125A.24, and 125A.65, a description of the financial parameters within which the charter school will operate to provide the special instruction and services to children with a disability; and
- (11) the process and criteria the sponsor intends to use to monitor and evaluate the fiscal and student performance of the charter school, consistent with subdivision 15.

[For text of subs 6a to 14, see M.S.2004]

Subd. 15. **Review and comment.** (a) The department must review and comment on the evaluation, by the sponsor, of the performance of a charter school before the charter school's contract is renewed for another contract term. The sponsor must submit to the commissioner timely information for the review and comment.

(b) A sponsor shall monitor and evaluate the fiscal and student performance of the school, and may for this purpose annually assess a charter school: (1) in its first, second, or third year of operation up to \$30 per student up to a maximum of \$10,000; and (2) in its fourth or a subsequent year of operation up to \$10 per student up to a maximum of \$3,500.

[For text of subs 16 to 22, see M.S.2004]

Subd. 23. **Causes for nonrenewal or termination of charter school contract.** (a) The duration of the contract with a sponsor must be for the term contained in the contract according to subdivision 6. The sponsor may or may not renew a contract at

the end of the term for any ground listed in paragraph (b). A sponsor may unilaterally terminate a contract during the term of the contract for any ground listed in paragraph (b). At least 60 days before not renewing or terminating a contract, the sponsor shall notify the board of directors of the charter school of the proposed action in writing. The notice shall state the grounds for the proposed action in reasonable detail and that the charter school's board of directors may request in writing an informal hearing before the sponsor within 14 days of receiving notice of nonrenewal or termination of the contract. Failure by the board of directors to make a written request for a hearing within the 14-day period shall be treated as acquiescence to the proposed action. Upon receiving a timely written request for a hearing, the sponsor shall give reasonable notice to the charter school's board of directors of the hearing date. The sponsor shall conduct an informal hearing before taking final action. The sponsor shall take final action to renew or not renew a contract by the last day of classes in the school year. If the sponsor is a local board, the school's board of directors may appeal the sponsor's decision to the commissioner.

(b) A contract may be terminated or not renewed upon any of the following grounds:

(1) failure to meet the requirements for pupil performance contained in the contract;

(2) failure to meet generally accepted standards of fiscal management;

(3) violations of law; or

(4) other good cause shown.

If a contract is terminated or not renewed under this paragraph, the school must be dissolved according to the applicable provisions of chapter 308A or 317A, except when the commissioner approves the decision of a different eligible sponsor to authorize the charter school.

(c) If at the end of a contract term, either the sponsor or the charter school board of directors wants to voluntarily terminate the contract, a change in sponsors is allowed if the commissioner approves the decision of a different eligible sponsor to authorize the charter school. The party intending to terminate the contract must notify the other party and the commissioner of its intent at least 90 days before the date on which the contract ends. The sponsor that is a party to the existing contract at least must inform the approved different eligible sponsor about the fiscal and student performance of the school. If no different eligible sponsor is approved, the school must be dissolved according to applicable law and the terms of the contract.

(d) The commissioner, after providing reasonable notice to the board of directors of a charter school and the existing sponsor, and after providing an opportunity for a public hearing, may terminate the existing sponsorial relationship if the charter school has a history of:

(1) financial mismanagement; or

(2) repeated violations of the law.

[For text of subds 23a to 25, see M.S.2004]

History: *1Sp2005 c 5 art 2 s 59-62*

124D.11 REVENUE FOR A CHARTER SCHOOL.

Subdivision 1. **General education revenue.** (a) General education revenue must be paid to a charter school as though it were a district. The general education revenue for each adjusted marginal cost pupil unit is the state average general education revenue per pupil unit, plus the referendum equalization aid allowance in the pupil's district of residence, minus an amount equal to the product of the formula allowance according to section 126C.10, subdivision 2, times .0485, calculated without basic skills revenue, extended time revenue, alternative teacher compensation revenue, transition revenue, and transportation sparsity revenue, plus basic skills revenue, extended time revenue, basic alternative teacher compensation aid according to section 126C.10, subdivision 34,

and transition revenue as though the school were a school district. The general education revenue for each extended time marginal cost pupil unit equals \$4,378.

(b) Notwithstanding paragraph (a), for charter schools in the first year of operation, general education revenue shall be computed using the number of adjusted pupil units in the current fiscal year.

Subd. 2. Transportation revenue. Transportation revenue must be paid to a charter school that provides transportation services according to section 124D.10, subdivision 16, according to this subdivision. Transportation aid shall equal transportation revenue.

In addition to the revenue under subdivision 1, a charter school providing transportation services must receive general education aid equal to the sum of the product of (i) an amount equal to the product of the formula allowance according to section 126C.10, subdivision 2, times .0485, plus the transportation sparsity allowance for the school district in which the charter school is located times (ii) the adjusted marginal cost pupil units, plus the product of \$223 times the extended time marginal cost pupil units.

[For text of subs 3 and 4, see M.S.2004]

Subd. 5. Special education aid. (a) Except as provided in subdivision 2, special education aid must be paid to a charter school according to section 125A.76, as though it were a school district.

(b) For fiscal year 2006, the charter school may charge tuition to the district of residence as follows:

(1) if the charter school does not receive general education revenue on behalf of the student according to subdivision 1, tuition shall be charged as provided in section 125A.11; or

(2) if the charter school receives general education revenue on behalf of the student according to subdivision 1, tuition shall be charged as provided in section 127A.47, subdivision 7, paragraph (d).

(c) For fiscal year 2007 and later, the special education aid paid to the charter school shall be adjusted as follows:

(1) if the charter school does not receive general education revenue on behalf of the student according to subdivision 1, the aid shall be adjusted as provided in section 125A.11; or

(2) if the charter school receives general education revenue on behalf of the student according to subdivision 1, the aid shall be adjusted as provided in section 127A.47, subdivision 7, paragraph (d).

Subd. 6. Other aid, grants, revenue. (a) A charter school is eligible to receive other aids, grants, and revenue according to chapters 120A to 129C, as though it were a district.

(b) Notwithstanding paragraph (a), a charter school may not receive aid, a grant, or revenue if a levy is required to obtain the money, or if the aid, grant, or revenue replaces levy revenue that is not general education revenue, except as otherwise provided in this section.

(c) Federal aid received by the state must be paid to the school, if it qualifies for the aid as though it were a school district.

(d) A charter school may receive money from any source for capital facilities needs. In the year-end report to the commissioner of education, the charter school shall report the total amount of funds received from grants and other outside sources.

[For text of subs 7 to 9, see M.S.2004]

History: 1Sp2005 c 5 art 2 s 63-65; art 3 s 5

124D.111 LUNCH AID; FOOD SERVICE ACCOUNTING.

Subdivision 1. **School lunch aid computation.** Each school year, the state must pay participants in the national school lunch program the amount of ten cents for each full paid, reduced, and free student lunch served to students.

Subd. 2. **Application.** A school district, charter school, nonpublic school, or other participant in the national school lunch program shall apply to the department for this payment on forms provided by the department.

[For text of subd 3, see M.S.2004]

History: 1Sp2005 c 5 art 5 s 2,3

124D.118 SCHOOL MILK PROGRAM.

[For text of subs 1 to 3, see M.S.2004]

Subd. 4. **Reimbursement.** In accordance with program guidelines, the commissioner shall reimburse each participating public or nonpublic school 14 cents for each half-pint of milk that is served to kindergarten students and is not part of a school lunch or breakfast reimbursed under section 124D.111 or 124D.1158.

History: 1Sp2005 c 5 art 5 s 4

124D.135 EARLY CHILDHOOD FAMILY EDUCATION (ECFE) REVENUE.

Subdivision 1. **Revenue.** The revenue for early childhood family education programs for a school district equals \$96 for fiscal year 2005 and \$104 for fiscal year 2006 and later, times the greater of:

- (1) 150; or
- (2) the number of people under five years of age residing in the district on October 1 of the previous school year.

[For text of subs 2 to 4, see M.S.2004]

Subd. 5. **Use of revenue restricted.** Early childhood family education revenue may be used only for early childhood family education programs. Not more than five percent of early childhood family education revenue, as defined in subdivision 7, may be used to administer early childhood family education programs.

[For text of subs 6 to 9, see M.S.2004]

History: 1Sp2005 c 5 art 7 s 4,5

124D.15 SCHOOL READINESS PROGRAMS.

Subdivision 1. **Establishment; purpose.** A district or a group of districts may establish a school readiness program for children age three to kindergarten entrance. The purpose of a school readiness program is to prepare children to enter kindergarten.

Subd. 2. [Repealed, 1Sp2005 c 5 art 7 s 21]

Subd. 3. **Program requirements.** A school readiness program provider must:

- (1) assess each child's cognitive skills when the child enters and again before the child leaves the program to inform program planning and promote kindergarten readiness;
- (2) provide comprehensive program content based on early childhood research and professional practice that is focused on children's cognitive skills and development and prepares children for the transition to kindergarten;
- (3) arrange for early childhood screening and appropriate referral;
- (4) involve parents in program planning and decision making;
- (5) coordinate with relevant community-based services; and

(6) cooperate with adult basic education programs and other adult literacy programs.

Subd. 3a. **Application and reporting requirements.** (a) A school readiness program provider must submit a biennial plan for approval by the commissioner before receiving aid under section 124D.16. The plan must describe how the program meets the program requirements under subdivision 3. A school district by April 1 must submit the plan for approval by the commissioner in the form and manner prescribed by the commissioner. One-half the districts must first submit the plan by April 1, 2006, and one-half the districts must first submit the plan by April 1, 2007, as determined by the commissioner.

(b) Programs receiving school readiness funds annually must submit a report to the department.

Subd. 4. [Repealed, 1Sp2005 c 5 art 7 s 21]

Subd. 5. **Services with new or existing providers.** A district may contract with a charter school or community-based organization to provide eligible children developmentally appropriate services that meet the program requirements in subdivision 3. In the alternative, a district may pay tuition or fees to place an eligible child in an existing program. A district may establish a new program where no existing, reasonably accessible program meets the program requirements in subdivision 3. Districts must submit a copy of each contract to the commissioner with the biennial plan. Services may be provided in a site-based program or in the home of the child or a combination of both. The district may not restrict participation to district residents.

Subd. 6. [Repealed, 1Sp2005 c 5 art 7 s 21]

Subd. 7. [Repealed, 1Sp2005 c 5 art 7 s 21]

Subd. 8. [Repealed, 1Sp2005 c 5 art 7 s 21]

Subd. 9. [Repealed, 1Sp2005 c 5 art 7 s 21]

Subd. 10. **Supervision.** A program provided by a board must be supervised by a licensed early childhood teacher, a certified early childhood educator, or a licensed parent educator.

Subd. 11. [Repealed, 1Sp2005 c 5 art 7 s 21]

Subd. 12. **Program fees.** A district must adopt a sliding fee schedule based on a family's income but must waive a fee for a participant unable to pay.

Subd. 13. [Repealed, 1Sp2005 c 5 art 7 s 21]

Subd. 14. **Assistance.** The department must assist districts, upon request, with programs under this section.

History: 1Sp2005 c 5 art 7 s 6-12

124D.16 SCHOOL READINESS AID.

[For text of subd 1, see M.S.2004]

Subd. 2. **Amount of aid.** (a) A district is eligible to receive school readiness aid for eligible prekindergarten pupils enrolled in a school readiness program under section 124D.15 if the biennial plan required by section 124D.15, subdivision 3a, has been approved by the commissioner.

(b) For fiscal year 2002 and thereafter, a district must receive school readiness aid equal to:

(1) the number of four-year-old children in the district on October 1 for the previous school year times the ratio of 50 percent of the total school readiness aid for that year to the total number of four-year-old children reported to the commissioner for the previous school year; plus

(2) the number of pupils enrolled in the school district from families eligible for the free or reduced school lunch program for the previous school year times the ratio of 50 percent of the total school readiness aid for that year to the total number of

pupils in the state from families eligible for the free or reduced school lunch program for the previous school year.

Subd. 3. **Use of aid.** School readiness aid shall be used only to provide a school readiness program and may be used to provide transportation. Not more than five percent of program revenue, as defined in subdivision 5, may be used for the cost of administering the program. Aid must be used to supplement and not supplant local, state, and federal funding. Aid may not be used for instruction and services required under sections 125A.03 to 125A.24 and 125A.65. Aid may not be used to purchase land or construct buildings, but may be used to lease or renovate existing buildings.

Subd. 4. [Repealed, 1Sp2005 c 5 art 7 s 21]

[For text of subds 5 to 7, see M.S.2004]

History: 1Sp2005 c 5 art 7 s 13,14

NOTE: Subdivision 1 is repealed by Laws 2005, First Special Session chapter 5, article 7, section 21, effective July 1, 2006. Laws 2005, First Special Session chapter 5, article 7, section 21.

124D.175 MINNESOTA EARLY LEARNING FOUNDATION PROPOSAL.

(a) The commissioner must implement an early childhood development grant program for low-income and other challenged families that increases the effectiveness and expands the capacity of public and nonpublic early childhood development programs, which may include child care programs, and leads to improved early childhood parent education and children's kindergarten readiness. The program must include:

(1) grant awards to existing early childhood development program providers that also provide parent education programs and to qualified providers proposing to implement pilot programs for this same purpose;

(2) grant awards to enable low-income families to participate in these programs;

(3) grant awards to improve overall programmatic quality; and

(4) an evaluation of the programmatic and financial efficacy of all these programs, which may be performed using measures of services, staffing, and management systems that provide consistent information about system performance, show trends, confirm successes, and identify potential problems in early childhood development programs.

This grant program must not supplant existing early childhood development programs or child care funds.

(b) The commissioner must contract with a private nonprofit, section 501(c)(3) organization to implement the requirements of paragraph (a). The private nonprofit organization must be governed by a board of directors composed of members from the public and nonpublic sectors, where the nonpublic sector members compose a simple majority of board members and where the public sector members are state and local government officials, kindergarten through grade 12 or postsecondary educators, and early childhood providers appointed by the governor. Membership on the board of directors by a state agency official are work duties for the official and are not a conflict of interest under section 43A.38. The board of directors must appoint an executive director and must seek advice from geographically and ethnically diverse parents of young children and representatives of early childhood development providers, kindergarten through grade 12 and postsecondary educators, public libraries, and the business sector. The board of directors is subject to the open meeting law under chapter 13D. All other terms and conditions under which board members serve and operate must be described in the articles and bylaws of the organization. The private nonprofit organization is not a state agency and is not subject to laws governing public agencies except the provisions of chapter 13, salary limits under section 15A.0815, subdivision 2, and audits by the legislative auditor under chapter 3 apply.

(c) This section expires June 30, 2011. If no state appropriation is made for purposes of this section, the commissioner must not implement paragraphs (a) and (b).

History: 1Sp2005 c 5 art 7 s 15

124D.20 COMMUNITY EDUCATION REVENUE.

[For text of subs 1 and 2, see M.S.2004]

Subd. 3. **General community education revenue.** The general community education revenue for a district equals \$5.23 for fiscal years 2005 and 2006 and \$5.42 for fiscal year 2007 and later, times the greater of 1,335 or the population of the district. The population of the district is determined according to section 275.14.

[For text of subs 4 and 4a, see M.S.2004]

Subd. 5. **Total community education levy.** To obtain total community education revenue, a district may levy the amount raised by a maximum tax rate of .9 percent times the adjusted net tax capacity of the district. If the amount of the total community education levy would exceed the total community education revenue, the total community education levy shall be determined according to subdivision 6.

[For text of subs 6 to 12, see M.S.2004]

History: 1Sp2005 c 5 art 8 s 5,6

NOTE: The amendments to subdivisions 3 and 5 by Laws 2005, First Special Session chapter 5, article 8, sections 5 and 6, are effective for revenue for fiscal year 2007. Laws 2005, First Special Session chapter 5, article 8, sections 5 and 6, the effective dates.

124D.23 FAMILY SERVICES AND COMMUNITY-BASED COLLABORATIVES.

Subdivision 1. **Establishment.** (a) In order to qualify as a family services collaborative, a minimum of one school district, one county, one public health entity, one community action agency as defined in section 256E.31, and one Head Start grantee if the community action agency is not the designated federal grantee for the Head Start program must agree in writing to provide coordinated family services and commit resources to an integrated fund. Collaboratives are expected to have broad community representation, which may include other local providers, including additional school districts, counties, and public health entities, other municipalities, public libraries, existing culturally specific community organizations, tribal entities, local health organizations, private and nonprofit service providers, child care providers, local foundations, community-based service groups, businesses, local transit authorities or other transportation providers, community action agencies under section 256E.31, senior citizen volunteer organizations, parent organizations, parents, and sectarian organizations that provide nonsectarian services.

(b) Members of the governing bodies of political subdivisions involved in the establishment of a family services collaborative shall select representatives of the nongovernmental entities listed in paragraph (a) to serve on the governing board of a collaborative. The governing body members of the political subdivisions shall select one or more representatives of the nongovernmental entities within the family service collaborative.

(c) Two or more family services collaboratives or children's mental health collaboratives may consolidate decision-making, pool resources, and collectively act on behalf of the individual collaboratives, based on a written agreement among the participating collaboratives.

[For text of subs 2 to 10, see M.S.2004]

History: 2005 c 98 art 1 s 24

124D.40 YOUTH WORKS GRANTS.

Subdivision 1. **Application.** An eligible organization interested in receiving a grant under sections 124D.39 to 124D.44 may prepare and submit an application to the commission.

Subd. 2. **Grant authority.** The commission must use any state appropriation and any available federal funds, including any grant received under federal law, to award

grants to establish programs for youth works. At least one grant each must be available for a metropolitan proposal, a rural proposal, and a statewide proposal. If a portion of the suburban metropolitan area is not included in the metropolitan grant proposal, the statewide grant proposal must incorporate at least one suburban metropolitan area. In awarding grants, the commission may select at least one residential proposal and one nonresidential proposal.

History: *1Sp2005 c 5 art 11 s 3*

124D.4531 CAREER AND TECHNICAL LEVY.

Subdivision 1. **Career and technical levy.** (a) A district with a career and technical program approved under this section for the fiscal year in which the levy is certified may levy an amount equal to the lesser of:

(1) \$80 times the district's average daily membership in grades 10 through 12 for the fiscal year in which the levy is certified; or

(2) 25 percent of approved expenditures in the fiscal year in which the levy is certified for the following:

(i) salaries paid to essential, licensed personnel providing direct instructional services to students in that fiscal year for services rendered in the district's approved career and technical education programs;

(ii) contracted services provided by a public or private agency other than a Minnesota school district or cooperative center under subdivision 7;

(iii) necessary travel between instructional sites by licensed career and technical education personnel;

(iv) necessary travel by licensed career and technical education personnel for vocational student organization activities held within the state for instructional purposes;

(v) curriculum development activities that are part of a five-year plan for improvement based on program assessment;

(vi) necessary travel by licensed career and technical education personnel for noncollegiate credit-bearing professional development; and

(vii) specialized vocational instructional supplies.

(b) Up to ten percent of a district's career and technical levy may be spent on equipment purchases. Districts using the career and technical levy for equipment purchases must report to the department on the improved learning opportunities for students that result from the investment in equipment.

(c) The district must recognize the full amount of this levy as revenue for the fiscal year in which it is certified.

Subd. 2. **Allocation from cooperative centers and intermediate districts.** For purposes of this section, a cooperative center or an intermediate district must allocate its approved expenditures for career and technical education programs among participating districts.

Subd. 3. **Levy guarantee.** Notwithstanding subdivision 1, the career and technical education levy for a district is not less than the lesser of:

(1) the district's career and technical education levy authority for the previous fiscal year; or

(2) 100 percent of the approved expenditures for career and technical programs included in subdivision 1, paragraph (b), for the fiscal year in which the levy is certified.

Subd. 4. **District reports.** Each district or cooperative center must report data to the department for all career and technical education programs as required by the department to implement the career and technical levy formula.

History: *1Sp2005 c 5 art 2 s 66*

NOTE: This section, as added by Laws 2005, First Special Session chapter 5, article 2, section 66, is effective for taxes payable in 2008. Laws 2005, First Special Session chapter 5, article 2, section 66, the effective date.

124D.454 ACCESS TO MINNESOTA'S TRANSITION SYSTEM FOR CHILDREN WITH A DISABILITY.

[For text of subds 1 to 4, see M.S.2004]

Subd. 5. **State total transition program-disabled revenue.** The state total transition program-disabled revenue for fiscal year 2000 equals \$8,982,000. The state total transition program-disabled revenue for fiscal year 2001 equals \$8,966,000. The state total transition program-disabled revenue for later fiscal years equals:

- (1) the state total transition program-disabled revenue for the preceding fiscal year; times
- (2) the program growth factor; times
- (3) the greater of one, or the ratio of the state total average daily membership for the current fiscal year to the state total average daily membership for the preceding fiscal year.

[For text of subds 6 to 12, see M.S.2004]

History: *1Sp2005 c 5 art 3 s 6*

NOTE: The amendment to subdivision 5 by Laws 2005, First Special Session chapter 5, article 3, section 6, is effective for fiscal year 2008. Laws 2005, First Special Session chapter 5, article 3, section 6, the effective date.

124D.52 ADULT BASIC EDUCATION.

[For text of subds 1 and 2, see M.S.2004]

Subd. 3. **Accounts; revenue; aid.** (a) Each district, group of districts, or private nonprofit organization providing adult basic education programs must establish and maintain a reserve account within the community service fund for the receipt and disbursement of all funds related to these programs. All revenue received pursuant to this section must be utilized solely for the purposes of adult basic education programs. State aid must not equal more than 100 percent of the unreimbursed expenses of providing these programs, excluding in-kind costs.

(b) For purposes of paragraph (a), an adult basic education program may include as valid expenditures for the previous fiscal year program spending that occurs from July 1 to September 30 of the following year. A program may carry over a maximum of 20 percent of its adult basic education aid revenue into the next fiscal year. Program spending may only be counted for one fiscal year.

(c) Notwithstanding section 123A.26 or any other law to the contrary, an adult basic education consortium providing an approved adult basic education program may be its own fiscal agent and is eligible to receive state-aid payments directly from the commissioner.

[For text of subds 4 to 7, see M.S.2004]

History: *1Sp2005 c 5 art 9 s 1*

124D.531 ADULT BASIC EDUCATION AID.

Subdivision 1. **State total adult basic education aid.** (a) The state total adult basic education aid for fiscal year 2005 is \$36,509,000. The state total adult basic education aid for fiscal year 2006 and later is \$36,509,000 plus any amount that is not paid for during the previous fiscal year, as a result of adjustments under subdivision 4, paragraph (a), or section 124D.52, subdivision 3. Beginning in fiscal year 2002, two percent of the state total adult basic education aid must be set aside for adult basic education supplemental service grants under section 124D.522.

(b) The state total adult basic education aid, excluding basic population aid, equals the difference between the amount computed in paragraph (a), and the state total basic population aid under subdivision 2.

[For text of subs 2 and 3, see M.S.2004]

Subd. 4. **Adult basic education program aid limit.** (a) Notwithstanding subdivisions 2 and 3, the total adult basic education aid for a program per prior year contact hour must not exceed \$21 per prior year contact hour computed under subdivision 3, clause (2).

(b) For fiscal year 2004, the aid for a program under subdivision 3, clause (2), adjusted for changes in program membership, must not exceed the aid for that program under subdivision 3, clause (2), for fiscal year 2003 by more than the greater of eight percent or \$10,000.

(c) For fiscal year 2005, the aid for a program under subdivision 3, clause (2), adjusted for changes in program membership, must not exceed the sum of the aid for that program under subdivision 3, clause (2), and Laws 2003, First Special Session chapter 9, article 9, section 8, paragraph (a), for the preceding fiscal year by more than the greater of eight percent or \$10,000.

(d) For fiscal year 2006 and later, the aid for a program under subdivision 3, clause (2), adjusted for changes in program membership, must not exceed the aid for that program under subdivision 3, clause (2), for the first preceding fiscal year by more than the greater of eight percent or \$10,000.

(e) Adult basic education aid is payable to a program for unreimbursed costs occurring in the program year as defined in section 124D.52, subdivision 3.

(f) Any adult basic education aid that is not paid to a program because of the program aid limitation under paragraph (a) must be added to the state total adult basic education aid for the next fiscal year under subdivision 1. Any adult basic education aid that is not paid to a program because of the program aid limitations under paragraph (b), (c), or (d), must be reallocated among programs by adjusting the rate per contact hour under subdivision 3, clause (2).

[For text of subs 5 to 9, see M.S.2004]

History: 1Sp2005 c 5 art 9 s 2,3

124D.66 ASSURANCE OF MASTERY PROGRAMS.

[For text of subs 1 and 2, see M.S.2004]

Subd. 3. **Eligible services.** (a) Assurance of mastery programs may provide direct instructional services to an eligible pupil, or a group of eligible pupils, under the following conditions in paragraphs (b) to (d).

(b) Instruction may be provided at one or more grade levels from kindergarten to grade 8 and for students in grades 9 through 12 who were enrolled in grade 8 before the 2005-2006 school year and have failed the basic skills tests, or were enrolled in grade 8 in the 2005-2006 school year and later and who have failed the Minnesota Comprehensive Assessments (MCA-IIIs) in reading, mathematics, or writing as required for high school graduation under section 120B.02. If an assessment of pupils' needs within a district demonstrates that the eligible pupils in grades kindergarten to grade 8 are being appropriately served, a district may serve eligible pupils in grades 9 to 12.

(c) Instruction must be provided under the supervision of the eligible pupil's regular classroom teacher. Instruction may be provided by the eligible pupil's classroom teacher, by another teacher, by a team of teachers, or by an education assistant or aide. A special education teacher may provide instruction, but instruction that is provided under this section is not eligible for aid under section 125A.76.

(d) The instruction that is provided must differ from the initial instruction the pupil received in the regular classroom setting. The instruction may differ by presenting different curriculum than was initially presented in the regular classroom or by presenting the same curriculum:

- (1) at a different rate or in a different sequence than it was initially presented;
- (2) using different teaching methods or techniques than were used initially; or

(3) using different instructional materials than were used initially.

History: *1Sp2005 c 5 art 2 s 67*

124D.68 GRADUATION INCENTIVES PROGRAM.

[For text of subd 1, see M.S.2004]

Subd. 2. **Eligible pupils.** The following pupils are eligible to participate in the graduation incentives program:

(a) any pupil under the age of 21 who:

(1) performs substantially below the performance level for pupils of the same age in a locally determined achievement test;

(2) is at least one year behind in satisfactorily completing coursework or obtaining credits for graduation;

(3) is pregnant or is a parent;

(4) has been assessed as chemically dependent;

(5) has been excluded or expelled according to sections 121A.40 to 121A.56;

(6) has been referred by a school district for enrollment in an eligible program or a program pursuant to section 124D.69;

(7) is a victim of physical or sexual abuse;

(8) has experienced mental health problems;

(9) has experienced homelessness sometime within six months before requesting a transfer to an eligible program;

(10) speaks English as a second language or has limited English proficiency; or

(11) has withdrawn from school or has been chronically truant; or

(b) any person who is at least 21 years of age and who:

(1) has received fewer than 14 years of public or nonpublic education, beginning at age 5;

(2) has not completed the requirements for a high school diploma; and

(3) at the time of application, (i) is eligible for unemployment benefits or has exhausted the benefits, (ii) is eligible for, or is receiving income maintenance and support services, as defined in section 116L.19, subdivision 5, or (iii) is eligible for services under the displaced homemaker program or any programs under the federal Jobs Training Partnership Act or its successor.

[For text of subs 3 to 8, see M.S.2004]

Subd. 9. **Enrollment verification.** (a) For a pupil attending an eligible program full time under subdivision 3, paragraph (d), the department must pay 90 percent of the district's average general education revenue less basic skills revenue to the eligible program and ten percent of the district's average general education revenue less basic skills revenue to the contracting district within 30 days after the eligible program verifies enrollment using the form provided by the department. For a pupil attending an eligible program part time, revenue, excluding compensatory revenue, shall be reduced proportionately, according to the amount of time the pupil attends the program, and the payments to the eligible program and the contracting district shall be reduced accordingly. A pupil for whom payment is made according to this section may not be counted by any district for any purpose other than computation of general education revenue. If payment is made for a pupil under this subdivision, a district shall not reimburse a program under section 124D.69 for the same pupil. The basic skills revenue generated by pupils attending the eligible program according to section 126C.10, subdivision 4, shall be paid to the eligible program.

(b) The department must pay up to 100 percent of the revenue to the eligible program if there is an agreement to that effect between the school district and the eligible program.

(c) Notwithstanding paragraphs (a) and (b), for an eligible program that provides chemical treatment services to students, the department must pay 100 percent of the revenue to the eligible program.

[For text of subd 10, see M.S.2004]

History: 2005 c 10 art 1 s 25; 1Sp2005 c 5 art 1 s 11

124D.69 AID FOR ALTERNATIVE PROGRAMS PROVIDED UNDER CONTRACT.

Subdivision 1. **Aid.** If a pupil enrolls in an alternative program, eligible under section 124D.68, subdivision 3, paragraph (d), or subdivision 4, operated by a private organization that has contracted with a school district to provide educational services for eligible pupils under section 124D.68, subdivision 2, the district contracting with the private organization must reimburse the provider an amount equal to the sum of (1) at least 95 percent of the district's average general education less basic skills revenue per pupil unit times the number of pupil units for pupils attending the program, and (2) the amount of basic skills revenue generated by pupils attending the program according to section 126C.10, subdivision 4. For a pupil attending the program part time, the revenue paid to the program, excluding compensatory revenue, must be reduced proportionately, according to the amount of time the pupil attends the program, and revenue paid to the district shall be reduced accordingly. Pupils for whom a district provides reimbursement may not be counted by the district for any purpose other than computation of general education revenue. If payment is made to a district or program for a pupil under this section, the department must not make a payment for the same pupil under section 124D.68, subdivision 9. Notwithstanding sections 125A.15, 125A.51, and 125A.515, general education revenue for a student who receives educational services under this section shall be paid according to this section.

[For text of subds 2 and 3, see M.S.2004]

History: 1Sp2005 c 5 art 1 s 12

124D.74 AMERICAN INDIAN EDUCATION PROGRAMS.

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

- (1) support postsecondary preparation for pupils;
- (2) support the academic achievement of American Indian students with identified focus to improve reading and mathematic skills;
- (3) make the curriculum more relevant to the needs, interests, and cultural heritage of American Indian pupils;
- (4) provide positive reinforcement of the self-image of American Indian pupils;
- (5) develop intercultural awareness among pupils, parents, and staff; and
- (6) supplement, not supplant, state and federal educational and cocurricular programs.

Program components may include: development of support components for students in the areas of academic achievement, retention, and attendance; development of support components for staff, including in-service training and technical assistance in methods of teaching American Indian pupils; research projects, including experimentation with and evaluation of methods of relating to American Indian pupils; provision of personal and vocational counseling to American Indian pupils; modification of curriculum, instructional methods, and administrative procedures to meet the needs of American Indian pupils; and supplemental instruction in American Indian language, literature, history, and culture. Districts offering programs may make contracts for the provision of program components by establishing cooperative liaisons with tribal programs and

American Indian social service agencies. These programs may also be provided as components of early childhood and family education programs.

[For text of subds 2 to 6, see M.S.2004]

History: *1Sp2005 c 5 art 2 s 68*

124D.81 CONTINUATION OF INDIAN EDUCATION GRANTS.

Subdivision 1. **Grants; procedures.** Each fiscal year the commissioner of education must make grants to no fewer than six American Indian education programs. At least three programs must be in urban areas and at least three must be on or near reservations. The board of a local district, a participating school or a group of boards may develop a proposal for grants in support of American Indian education programs. Proposals may provide for contracts for the provision of program components by nonsectarian nonpublic, community, tribal, charter, or alternative schools. The commissioner shall prescribe the form and manner of application for grants, and no grant shall be made for a proposal not complying with the requirements of sections 124D.71 to 124D.82.

[For text of subds 2 to 7, see M.S.2004]

History: *1Sp2005 c 5 art 2 s 69*

124D.84 INDIAN SCHOLARSHIPS.

Subdivision 1. **Awards.** The commissioner may award scholarships to any Minnesota resident student who is of one-fourth or more Indian ancestry, who has applied for other existing state and federal scholarship and grant programs, and who, in the opinion of the commissioner, has the capabilities to benefit from further education. Scholarships must be for accredited degree programs in accredited Minnesota colleges or universities or for courses in accredited Minnesota business, technical, or vocational schools. Scholarships may also be given to students attending Minnesota colleges that are in candidacy status for obtaining full accreditation, and are eligible for and receiving federal financial aid programs. Students are also eligible for scholarships when enrolled as students in Minnesota higher education institutions that have joint programs with other accredited higher education institutions. Scholarships shall be used to defray the total cost of education including tuition, incidental fees, books, supplies, transportation, other related school costs and the cost of board and room and shall be paid directly to the college or school concerned where the student receives federal financial aid. The total cost of education includes all tuition and fees for each student enrolling in a public institution and the portion of tuition and fees for each student enrolling in a private institution that does not exceed the tuition and fees at a comparable public institution. Each student shall be awarded a scholarship based on the total cost of the student's education and a federal standardized need analysis. Applicants are encouraged to apply for all other sources of financial aid.

When an Indian student satisfactorily completes the work required by a certain college or school in a school year the student is eligible for additional scholarships, if additional training is necessary to reach the student's educational and vocational objective. Scholarships may not be given to any Indian student for more than five years of study.

History: *1Sp2005 c 5 art 2 s 70*