................. moves to amend H.F. No. 3066 as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1

GENERAL EDUCATION

Section 1. Minnesota Statutes 2014, section 123A.24, subdivision 2, is amended to read:

Subd. 2. Cooperative unit defined. For the purposes of this section, a cooperative unit is:

(1) an education district organized under sections 123A.15 to 123A.19;
(2) a cooperative vocational center organized under section 123A.22;
(3) an intermediate district organized under chapter 136D;
(4) a service cooperative organized under section 123A.21; or
(5) a regional management information center organized under section 123A.23 or as a joint powers district according to section 471.59; or
(6) a special education cooperative organized under section 471.59.

Sec. 2. Minnesota Statutes 2014, section 127A.51, is amended to read:

127A.51 STATEWIDE AVERAGE REVENUE.

By October December 1 of each year the commissioner must estimate the statewide average adjusted general revenue per adjusted pupil unit and the disparity in adjusted general revenue among pupils and districts by computing the ratio of the 95th percentile to the fifth percentile of adjusted general revenue. The commissioner must provide that information to all districts.

If the disparity in adjusted general revenue as measured by the ratio of the 95th percentile to the fifth percentile increases in any year, the commissioner shall recommend to the legislature options for change in the general education formula that will limit the disparity in adjusted general revenue to no more than the disparity for the previous
school year. The commissioner must submit the recommended options to the education committees of the legislature by January 15 February 1.

For purposes of this section and section 126C.10, adjusted general revenue means the sum of basic revenue under section 126C.10, subdivision 2; referendum revenue under section 126C.17; local optional revenue under section 126C.10, subdivision 2e; and equity revenue under section 126C.10, subdivisions 24a and 24b.

ARTICLE 2
EDUCATION EXCELLENCE

Section 1. Minnesota Statutes 2014, section 120A.22, subdivision 1, is amended to read:

Subdivision 1. Parental responsibility. The parent of a child is primarily responsible for assuring that the child acquires the knowledge and skills that are essential for effective citizenship.

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

Sec. 2. Minnesota Statutes 2014, section 120B.11, subdivision 1a, is amended to read:

Subd. 1a. Performance measures. Measures to determine school district and school site progress in striving to create the world's best workforce must include at least:

(1) student performance on the National Assessment of Education Progress where applicable;

(2) (1) the size of the academic achievement gap, rigorous course taking under section 120B.35, subdivision 3, paragraph (c), clause (2), and enrichment experiences by student subgroup;

(3) (2) student performance on the Minnesota Comprehensive Assessments;

(4) (3) high school graduation rates; and

(5) (4) career and college readiness under section 120B.30, subdivision 1.

Sec. 3. Minnesota Statutes 2014, section 120B.11, subdivision 2, is amended to read:

Subd. 2. Adopting plans and budgets. A school board, at a public meeting, shall adopt a comprehensive, long-term strategic plan to support and improve teaching and learning that is aligned with creating the world's best workforce and includes:

(1) clearly defined district and school site goals and benchmarks for instruction and student achievement for all student subgroups identified in section 120B.35, subdivision 3, paragraph (b), clause (2);

(2) a process for assessing and evaluating to assess and evaluate each student's progress toward meeting state and local academic standards, assess and identify students...
to participate in gifted and talented programs and accelerate their instruction, and adopt
early-admission procedures consistent with section 120B.15, and identifying the strengths
and weaknesses of instruction in pursuit of student and school success and curriculum
affecting students' progress and growth toward career and college readiness and leading to
the world's best workforce;

(3) a system to periodically review and evaluate the effectiveness of all instruction
and curriculum, taking into account strategies and best practices, student outcomes, school
principal evaluations under section 123B.147, subdivision 3, and teacher evaluations
under section 122A.40, subdivision 8, or 122A.41, subdivision 5;

(4) strategies for improving instruction, curriculum, and student achievement,
including the English and, where practicable, the native language development and the
academic achievement of English learners;

(5) a process to examine the equitable distribution of teachers and strategies to
ensure low-income and minority children are not taught at higher rates than other children
by inexperienced, ineffective, or out-of-field teachers;

(6) education effectiveness practices that integrate high-quality instruction,
rigorous curriculum, technology, and a collaborative professional culture that develops
and supports teacher quality, performance, and effectiveness; and

(7) an annual budget for continuing to implement the district plan.

Sec. 4. Minnesota Statutes 2014, section 120B.11, subdivision 5, is amended to read:

Subd. 5. Report. Consistent with requirements for school performance reports
under section 120B.36, subdivision 1, the school board shall publish a report in the local
newspaper with the largest circulation in the district, by mail, or by electronic means on
the district Web site. The school board shall hold an annual public meeting to review,
and revise where appropriate, student achievement goals, local assessment outcomes,
plans, strategies, and practices for improving curriculum and instruction and cultural
competency, efforts to equitably distribute effective, experienced, and in-field teachers,
and to review district success in realizing the previously adopted student achievement
goals and related benchmarks and the improvement plans leading to the world's best
workforce. The school board must transmit an electronic summary of its report to the
commissioner in the form and manner the commissioner determines.

Sec. 5. Minnesota Statutes 2014, section 120B.15, is amended to read:

120B.15 GIFTED AND TALENTED STUDENTS PROGRAMS.
(a) School districts may identify students, locally develop programs addressing instructional and affective needs, provide staff development, and evaluate programs to provide gifted and talented students with challenging and appropriate educational programs.

(b) School districts must adopt guidelines for assessing and identifying students for participation in gifted and talented programs consistent with section 120B.11, subdivision 2, clause (2). The guidelines should include the use of:

(1) multiple and objective criteria; and

(2) assessments and procedures that are valid and reliable, fair, and based on current theory and research. Assessments and procedures should be sensitive to underrepresented groups, including, but not limited to, low-income, minority, twice-exceptional, and English learners.

(c) School districts must adopt procedures for the academic acceleration of gifted and talented students consistent with section 120B.11, subdivision 2, clause (2). These procedures must include how the district will:

(1) assess a student's readiness and motivation for acceleration; and

(2) match the level, complexity, and pace of the curriculum to a student to achieve the best type of academic acceleration for that student.

(d) School districts must adopt procedures consistent with section 124D.02, subdivision 1, for early admission to kindergarten or first grade of gifted and talented learners consistent with section 120B.11, subdivision 2, clause (2). The procedures must be sensitive to underrepresented groups.

Sec. 6. Minnesota Statutes 2015 Supplement, section 120B.30, subdivision 1, is amended to read:

Subdivision 1. **Statewide testing.** (a) The commissioner, with advice from experts with appropriate technical qualifications and experience and stakeholders, consistent with subdivision 1a, shall include in the comprehensive assessment system, for each grade level to be tested, state-constructed tests developed as computer-adaptive reading and mathematics assessments for students that are aligned with the state's required academic standards under section 120B.021, include multiple choice questions, and are administered annually to all students in grades 3 through 8. State-developed high school tests aligned with the state's required academic standards under section 120B.021 and administered to all high school students in a subject other than writing must include multiple choice questions. The commissioner shall establish one or more months during which schools shall administer the tests to students each school year.
(1) Students enrolled in grade 8 through the 2009-2010 school year are eligible to be assessed under (i) the graduation-required assessment for diploma in reading, mathematics, or writing under Minnesota Statutes 2012, section 120B.30, subdivision 1, paragraphs (c), clauses (1) and (2), and (d), (ii) the WorkKeys job skills assessment, (iii) the Compass college placement test, (iv) the ACT assessment for college admission, (v) a nationally recognized armed services vocational aptitude test.

(2) Students enrolled in grade 8 in the 2010-2011 or 2011-2012 school year are eligible to be assessed under (i) 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), (ii) the WorkKeys job skills assessment, (iii) the Compass college placement test, (iv) the ACT assessment for college admission, (v) a nationally recognized armed services vocational aptitude test.

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

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

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

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

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

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

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

(1) an opportunity to participate on a nationally normed college entrance exam, in grade 11 or grade 12;

(2) achievement and career and college readiness in mathematics, reading, and writing, consistent with paragraph (k) and to the extent available, to monitor students' continuous development of and growth in requisite knowledge and skills; analyze students' progress and performance levels, identifying students' academic strengths and diagnosing areas where students require curriculum or instructional adjustments, targeted interventions, or remediation; and, based on analysis of students' progress and performance
data, determine students' learning and instructional needs and the instructional tools and
best practices that support academic rigor for the student; and
(3) consistent with this paragraph and section 120B.125, age-appropriate exploration
and planning activities and career assessments to encourage students to identify personally
relevant career interests and aptitudes and help students and their families develop a
regularly reexamined transition plan for postsecondary education or employment without
need for postsecondary remediation.
Based on appropriate state guidelines, students with an individualized education program
may satisfy state graduation requirements by achieving an individual score on the
state-identified alternative assessments.
(d) Expectations of schools, districts, and the state for career or college readiness
under this subdivision must be comparable in rigor, clarity of purpose, and rates of
student completion.
(e) The chancellor of the Minnesota State Colleges and Universities, in consultation
with the commissioner, must identify scores on the Minnesota comprehensive assessments
for high school math and reading, and for writing when available, indicating when students
are prepared to successfully complete credit-bearing coursework at a two-year or four-year
college or university or other credit-bearing postsecondary program, consistent with
paragraph (q). These scores are intended to be used as guidelines to help inform families,
students, and teachers about student preparation. A student under paragraph (c), clause (2),
must receive targeted, relevant, academically rigorous, and resourced instruction, which
may include a targeted instruction and intervention plan focused on improving the student's
knowledge and skills in core subjects so that the student has a reasonable chance to succeed
in a career or college without need for postsecondary remediation. Consistent with sections
120B.13, 124D.09, 124D.091, 124D.49, and related sections, an enrolling school or district
must actively encourage a student in grade 11 or 12 who is identified as academically
ready for a career or college to participate in courses and programs awarding college credit
to high school students. Students are not required to achieve a specified score or level of
proficiency on an assessment under this subdivision to graduate from high school.
(f) Though not a high school graduation requirement, students are encouraged to
participate in a nationally recognized college entrance exam. With funding provided by
the state, a district must pay the cost, one time, for an interested student in grade 11 or 12
to take a nationally recognized college entrance exam before graduating. A student must
be able to take the exam under this paragraph at the student's high school during the school
day and at any one of the multiple exam administrations available to students in the district.
The commissioner and the chancellor of the Minnesota State Colleges and Universities must collaborate in aligning instruction and assessments for adult basic education students and English learners to provide the students with diagnostic information about any targeted interventions, accommodations, modifications, and supports they need so that assessments and other performance measures are accessible to them and they may seek postsecondary education or employment without need for postsecondary remediation. When administering formative or summative assessments used to measure the academic progress, including the oral academic development, of English learners and inform their instruction, schools must ensure that the assessments are accessible to the students and students have the modifications and supports they need to sufficiently understand the assessments.

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

A student who demonstrates attainment of required state academic standards, which include career and college readiness benchmarks, on high school assessments under subdivision 1a is academically ready for a career or college and is encouraged to participate in courses awarding college credit to high school students. Such courses and programs may include sequential courses of study within broad career areas and technical skill assessments that extend beyond course grades.

As appropriate, students through grade 12 must continue to participate in targeted instruction, intervention, or remediation and be encouraged to participate in courses awarding college credit to high school students.

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

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

(9) (m) The school board granting their diplomas may formally decide to include a notation of high achievement on the high school diplomas of those graduating seniors who, according to established school board criteria, demonstrate exemplary academic achievement during high school.

(9) (n) The 3rd through 8th grade computer-adaptive assessment results and high school test results shall be available to districts for diagnostic purposes affecting student learning and district instruction and curriculum, and for establishing educational accountability. The commissioner must establish empirically derived benchmarks on adaptive assessments in grades 3 through 8 that reveal a trajectory toward career and college readiness, consistent with paragraph (e). The commissioner must disseminate to the public the computer-adaptive assessments and high school test results upon receiving those results.

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

(9) (p) The commissioner shall include the following components in the statewide public reporting system:

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

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

(3) state results on the American College Test; and

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

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

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

EFFECTIVE DATE. This section is effective for the 2016-2017 school year and
later.

Sec. 7. Minnesota Statutes 2014, section 120B.35, subdivision 1, is amended to read:

Subdivision 1. School and student indicators of growth and achievement.
The commissioner must develop and implement a system for measuring and reporting
academic achievement and individual student growth, consistent with the statewide
educational accountability and reporting system. The system components must measure
and separately report the adequate yearly progress federal expectations of schools and the
growth of individual students: students' current achievement in schools under subdivision
2; and individual students' educational growth over time under subdivision 3. The
system also must include statewide measures of student academic growth that identify
schools with high levels of growth, and also schools with low levels of growth that need
improvement. When determining a school's effect, the data must include both statewide
measures of student achievement and, to the extent annual tests are administered,
indicators of achievement growth that take into account a student's prior achievement.
Indicators of achievement and prior achievement must be based on highly reliable
statewide or districtwide assessments. Indicators that take into account a student's prior
achievement must not be used to disregard a school's low achievement or to exclude a
school from a program to improve low achievement levels.

Sec. 8. Minnesota Statutes 2014, section 120B.35, subdivision 2, is amended to read:

Subd. 2. Federal expectations for student academic achievement. (a) Each
school year, a school district must determine if the student achievement levels at each
school site meet federal expectations. If student achievement levels at a school site do
not meet federal expectations and the site has not made adequate yearly progress for two consecutive school years, beginning with the 2001-2002 school year, the district must work with the school site to adopt a plan to raise student achievement levels to meet federal expectations. The commissioner of education shall establish student academic achievement levels to comply with this paragraph.

(b) School sites identified as not meeting federal expectations must develop continuous improvement plans in order to meet federal expectations for student academic achievement. The department, at a district's request, must assist the district and the school site in developing a plan to improve student achievement. The plan must include parental involvement components.

(c) The commissioner must:

1. assist school sites and districts identified as not meeting federal expectations; and

2. provide technical assistance to schools that integrate student achievement measures into the school continuous improvement plan.

(d) The commissioner shall establish and maintain a continuous improvement Web site designed to make data on every school and district available to parents, teachers, administrators, community members, and the general public.

Sec. 9. Minnesota Statutes 2014, section 120B.35, subdivision 3, is amended to read:

Subd. 3. State growth target; other state measures. (a) The state's educational assessment system measuring individual students' educational growth is based on indicators of achievement growth that show an individual student's prior achievement. Indicators of achievement and prior achievement must be based on highly reliable statewide or districtwide assessments.

(b) The commissioner, in consultation with a stakeholder group that includes assessment and evaluation directors, district staff, experts in culturally responsive teaching, and researchers, must implement a model that uses a value-added growth indicator and includes criteria for identifying schools and school districts that demonstrate medium and high growth under section 120B.299, subdivisions 8 and 9, and may recommend other value-added measures under section 120B.299, subdivision 3. The model may be used to advance educators' professional development and replicate programs that succeed in meeting students' diverse learning needs. Data on individual teachers generated under the model are personnel data under section 13.43. The model must allow users to:

1. report student growth consistent with this paragraph; and

2. for all student categories, report and compare aggregated and disaggregated state growth data using the nine student categories identified under the federal 2001 No Child
Left Behind Act and two student gender categories of male and female, respectively.

Elementary and Secondary Education Act following appropriate reporting practices to
protect nonpublic student data.

The commissioner must report measures of student growth, consistent with this
paragraph, including the English language development, academic progress, and oral
academic development of English learners and their native language development if the
native language is used as a language of instruction.

(c) When reporting student performance under section 120B.36, subdivision 1, the
commissioner annually, beginning July 1, 2011, must report two core measures indicating
the extent to which current high school graduates are being prepared for postsecondary
academic and career opportunities:

(1) a preparation measure indicating the number and percentage of high school
graduates in the most recent school year who completed course work important to
preparing them for postsecondary academic and career opportunities, consistent with
the core academic subjects required for admission to Minnesota's public colleges and
universities as determined by the Office of Higher Education under chapter 136A; and

(2) a rigorous coursework measure indicating the number and percentage of high
school graduates in the most recent school year who successfully completed one or more
college-level advanced placement, international baccalaureate, postsecondary enrollment
options including concurrent enrollment, other rigorous courses of study under section
120B.021, subdivision 1a, or industry certification courses or programs.

When reporting the core measures under clauses (1) and (2), the commissioner must also
analyze and report separate categories of information using the nine student categories
identified under the federal 2001 No Child Left Behind Act and two student gender
categories of male and female, respectively, Elementary and Secondary Education Act
following appropriate reporting practices to protect nonpublic student data.

(d) When reporting student performance under section 120B.36, subdivision 1, the
commissioner annually, beginning July 1, 2014, must report summary data on school
safety and students’ engagement and connection at school. The summary data under this
paragraph are separate from and must not be used for any purpose related to measuring
or evaluating the performance of classroom teachers. The commissioner, in consultation
with qualified experts on student engagement and connection and classroom teachers,
must identify highly reliable variables that generate summary data under this paragraph.
The summary data may be used at school, district, and state levels only. Any data on
individuals received, collected, or created that are used to generate the summary data
under this paragraph are nonpublic data under section 13.02, subdivision 9.
For purposes of statewide educational accountability, the commissioner must identify and report measures that demonstrate the success of learning year program providers under sections 123A.05 and 124D.68, among other such providers, in improving students' graduation outcomes. The commissioner, beginning July 1, 2015, must annually report summary data on:

1. the four- and six-year graduation rates of students under this paragraph;
2. the percent of students under this paragraph whose progress and performance levels are meeting career and college readiness benchmarks under section 120B.30, subdivision 1; and
3. the success that learning year program providers experience in:
   (i) identifying at-risk and off-track student populations by grade;
   (ii) providing successful prevention and intervention strategies for at-risk students;
   (iii) providing successful recuperative and recovery or reenrollment strategies for off-track students; and
   (iv) improving the graduation outcomes of at-risk and off-track students.

The commissioner may include in the annual report summary data on other education providers serving a majority of students eligible to participate in a learning year program.

(f) The commissioner, in consultation with recognized experts with knowledge and experience in assessing the language proficiency and academic performance of English learners, must identify and report appropriate and effective measures to improve current categories of language difficulty and assessments, and monitor and report data on students' English proficiency levels, program placement, and academic language development, including oral academic language.

Sec. 10. Minnesota Statutes 2014, section 120B.35, subdivision 4, is amended to read:

Subd. 4. Improving schools. Consistent with the requirements of this section, beginning June 20, 2012, the commissioner of education must annually report to the public and the legislature best practices implemented in those schools that demonstrate high growth compared to the state growth target are identified as high performing under federal expectations.

Sec. 11. Minnesota Statutes 2014, section 120B.36, as amended by Laws 2015, First Special Session chapter 3, article 2, section 8, is amended to read:

120B.36 SCHOOL ACCOUNTABILITY; APPEALS PROCESS.

Subdivision 1. School performance reports. (a) The commissioner shall report student academic performance under section 120B.35, subdivision 2; the percentages of
students showing low, medium, and high growth under section 120B.35, subdivision 3, paragraph (b); school safety and student engagement and connection under section 120B.35, subdivision 3, paragraph (d); rigorous coursework under section 120B.35, subdivision 3, paragraph (c); the percentage of students under section 120B.35, subdivision 3, paragraph (b), clause (2), whose progress and performance levels are meeting career and college readiness benchmarks under sections 120B.30, subdivision 1, and 120B.35, subdivision 3, paragraph (e); longitudinal data on the progress of eligible districts in reducing disparities in students' academic achievement and realizing racial and economic integration under section 124D.861; the acquisition of English, and where practicable, native language academic literacy, including oral academic language, and the academic progress of English learners under section 124D.59, subdivisions 2 and 2a; two separate student-to-teacher ratios that clearly indicate the definition of teacher consistent with sections 122A.06 and 122A.15 for purposes of determining these ratios; staff characteristics excluding salaries; student enrollment demographics; student homelessness and district mobility; and extracurricular activities. The report also must indicate a school's adequate yearly progress status under applicable federal law, and must not set any designations applicable to high- and low-performing schools due solely to adequate yearly progress status.

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

(c) The commissioner must make available performance reports by the beginning of each school year.

(d) A school or district may appeal its adequate yearly progress status in writing to the commissioner within 30 days of receiving the notice of its status results in a form and manner determined by the commissioner and consistent with federal law. The commissioner's decision to uphold or deny an appeal is final.

(e) School performance data are nonpublic data under section 13.02, subdivision 9, until the commissioner publicly releases the data. The commissioner shall annually post school performance reports to the department's public Web site no later than September 1, except that in years when the reports reflect new performance standards, the commissioner shall post the school performance reports no later than October 1.

Subd. 2. Adequate yearly progress Federal expectations and other data. (a) All data the department receives, collects, or creates under section 120B.11 governing the world's best workforce or to determine adequate yearly progress status federal expectations under Public Law 107-110, section 1116 the most recently reauthorized Elementary and Secondary Education Act, set state growth targets, and determine student
growth are nonpublic data under section 13.02, subdivision 9, until the commissioner
publicly releases the data.

(b) Districts must provide parents sufficiently detailed summary data to permit
parents to appeal under Public Law 107-110, section 1116(b)(2) the most recently
reauthorized Elementary and Secondary Education Act. The commissioner shall annually
post federal adequate yearly progress data on federal expectations and state student growth
data to the department's public Web site no later than September 1, except that in years
when adequate yearly progress data on federal expectations reflects new performance
standards, the commissioner shall post federal adequate yearly progress data on federal
expectations and state student growth data no later than October 1.

Sec. 12. Minnesota Statutes 2014, section 122A.16, is amended to read:

122A.16 HIGHLY QUALIFIED TEACHER DEFINED.

(a) A qualified teacher is one holding a valid license, under this chapter, to perform
the particular service for which the teacher is employed in a public school.

(b) For the purposes of the federal No Child Left Behind Act, a highly qualified
teacher is one who holds a valid license under this chapter, including under section
122A.245, among other sections and is determined by local administrators as having
highly qualified status according to the approved Minnesota highly qualified plan.
Teachers delivering core content instruction must be deemed highly qualified at the local
level and reported to the state via the staff automated reporting system.

Sec. 13. Minnesota Statutes 2014, section 122A.245, subdivision 8, is amended to read:

Subd. 8. Highly Qualified teacher. A person holding a valid limited-term license
under this section is a highly qualified teacher and the teacher of record under section
122A.16.

Sec. 14. Minnesota Statutes 2015 Supplement, section 122A.30, is amended to read:

122A.30 EXEMPTION FOR TECHNICAL EDUCATION INSTRUCTORS.

(a) Notwithstanding section 122A.15, subdivision 1, and upon approval of the local
employer school board, a person who teaches as a part-time vocational or career and
technical education program teacher is exempt from a license requirement. Nothing in
this section shall exclude licensed career and technical educators from the definition of
"teacher" in section 122A.40, 122A.41, or 179A.03.

(b) This section expires June 30, 2020.
Sec. 15. Minnesota Statutes 2015 Supplement, section 122A.414, subdivision 1, is amended to read:

Subdivision 1. **Restructured pay system.** A restructured alternative teacher professional pay system is established under subdivision 2 to provide incentives to encourage teachers to improve their knowledge and instructional skills in order to improve student learning and for school districts, intermediate school districts, cooperative units, as defined in section 123A.24, subdivision 2, and charter schools to recruit and retain highly qualified teachers, encourage highly qualified teachers to undertake challenging assignments, and support teachers' roles in improving students' educational achievement.

Sec. 16. Minnesota Statutes 2015 Supplement, section 122A.414, subdivision 2, is amended to read:

Subd. 2. **Alternative teacher professional pay system.** (a) To participate in this program, a school district, intermediate school district, school site, or charter school must have an educational improvement plan under section 122A.413, a World's Best Workforce plan under section 120B.11 and an alternative teacher professional pay system agreement under paragraph (b). A charter school participant also must comply with subdivision 2a.

(b) The alternative teacher professional pay system agreement must:

1. describe how teachers can achieve career advancement and additional compensation;
2. describe how the school district, intermediate school district, school site, or charter school will provide teachers with career advancement options that allow teachers to retain primary roles in student instruction and facilitate site-focused professional development that helps other teachers improve their skills;
3. reform the "steps and lanes" salary schedule, prevent any teacher's compensation paid before implementing the pay system from being reduced as a result of participating in this system, base at least 60 percent of any compensation increase on teacher performance using:
   1. schoolwide student achievement gains under section 120B.35 or locally selected standardized assessment outcomes, or both;
   2. measures of student growth and literacy that may include value-added models or student learning goals, consistent with section 122A.40, subdivision 8, paragraph (b), clause (9), or 122A.41, subdivision 5, paragraph (b), clause (9), and other measures that include the academic literacy, oral academic language, and achievement of English learners under section 122A.40, subdivision 8, paragraph (b), clause (10), or 122A.41, subdivision 5, paragraph (b), clause (10); and
(iii) an objective evaluation program under section 122A.40, subdivision 8,
paragraph (b), clause (2), or 122A.41, subdivision 5, paragraph (b), clause (2);

(4) provide for participation in job-embedded learning opportunities such as
professional learning communities to improve instructional skills and learning that are
aligned with student needs under section 122A.413 120B.11, consistent with the staff
development plan under section 122A.60 and led during the school day by trained teacher
leaders such as master or mentor teachers;

(5) allow any teacher in a participating school district, intermediate school district,
school site, or charter school that implements an alternative pay system to participate in
that system without any quota or other limit; and

(6) encourage collaboration rather than competition among teachers.

(c) The alternative teacher professional pay system may:

(1) include a hiring bonus or other added compensation for teachers who are
identified as effective or highly effective under the local teacher professional review
cycle and work in a hard-to-fill position or in a hard-to-staff school such as a school with
a majority of students whose families meet federal poverty guidelines, a geographically
isolated school, or a school identified by the state as eligible for targeted programs or
services for its students; and

(2) include incentives for teachers to obtain a master's degree or other advanced
certification in their content field of licensure, pursue the training or education necessary
to obtain an additional licensure in shortage areas identified by the district or charter
school, or help fund a "grow your own" new teacher initiative.

Sec. 17. Minnesota Statutes 2015 Supplement, section 122A.414, subdivision 2b,
is amended to read:

Subd. 2b. Approval process. (a) Consistent with the requirements of this section
and sections 122A.413 and section 122A.415, the department must prepare and transmit
to interested school districts, intermediate school districts, cooperatives, school sites,
and charter schools a standard form for applying to participate in the alternative teacher
professional pay system. The commissioner annually must establish three dates as
deadlines by which interested applicants must submit an application to the commissioner
under this section. An interested school district, intermediate school district, cooperative,
school site, or charter school must submit to the commissioner a completed application
executed by the district superintendent and the exclusive bargaining representative of the
teachers if the applicant is a school district, intermediate school district, or school site, or
executed by the charter school board of directors if the applicant is a charter school or
executed by the governing board if the applicant is a cooperative unit. The application
must include the proposed alternative teacher professional pay system agreement under
subdivision 2. The department must review a completed application within 30 days of
the most recent application deadline and recommend to the commissioner whether to
approve or disapprove the application. The commissioner must approve applications
on a first-come, first-served basis. The applicant's alternative teacher professional pay
system agreement must be legally binding on the applicant and the collective bargaining
representative before the applicant receives alternative compensation revenue. The
commissioner must approve or disapprove an application based on the requirements
under subdivisions 2 and 2a.

(b) If the commissioner disapproves an application, the commissioner must give the
applicant timely notice of the specific reasons in detail for disapproving the application.
The applicant may revise and resubmit its application and related documents to the
commissioner within 30 days of receiving notice of the commissioner's disapproval and
the commissioner must approve or disapprove the revised application, consistent with this
subdivision. Applications that are revised and then approved are considered submitted on
the date the applicant initially submitted the application.

Sec. 18. Minnesota Statutes 2014, section 122A.4144, is amended to read:

122A.4144 SUPPLEMENTAL AGREEMENTS; ALTERNATIVE TEACHER
PAY.

Notwithstanding section 179A.20 or other law to the contrary, a school board and
the exclusive representative of the teachers may agree to reopen a collective bargaining
agreement for the purpose of entering into an alternative teacher professional pay system
agreement under sections 122A.413, 122A.414, and 122A.415. Negotiations for a contract
reopened under this section must be limited to issues related to the alternative teacher
professional pay system.

Sec. 19. Minnesota Statutes 2014, section 122A.416, is amended to read:

122A.416 ALTERNATIVE TEACHER COMPENSATION REVENUE
FOR PERPICH CENTER FOR ARTS EDUCATION AND MULTIDISTRICT
INTEGRATION COLLABORATIVES.

Notwithstanding sections 122A.413, 122A.414, 122A.415, and 126C.10,
multidistrict integration collaboratives and the Perpich Center for Arts Education are
eligible to receive alternative teacher compensation revenue as if they were intermediate
school districts. To qualify for alternative teacher compensation revenue, a multidistrict
integration collaborative or the Perpich Center for Arts Education must meet all of the requirements of sections 122A.412, 122A.414, and 122A.415 that apply to intermediate school districts, must report its enrollment as of October 1 of each year to the department, and must annually report its expenditures for the alternative teacher professional pay system consistent with the uniform financial accounting and reporting standards to the department by November 30 of each year.

Sec. 20. Minnesota Statutes 2015 Supplement, section 122A.60, subdivision 4, is amended to read:

Subd. 4. Staff development report. (a) By October 15 of each year, the district and site staff development committees shall write and submit a report of staff development activities and expenditures for the previous year, in the form and manner determined by the commissioner. The report, signed by the district superintendent and staff development chair, must include assessment and evaluation data indicating progress toward district and site staff development goals based on teaching and learning outcomes, including the percentage of teachers and other staff involved in instruction who participate in effective staff development activities under subdivision 3 as part of the district's world's best workforce report under section 120B.11, subdivision 5.

(b) The report must break down expenditures for:

(1) curriculum development and curriculum training programs; and

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

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

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

Sec. 21. Minnesota Statutes 2014, section 122A.72, subdivision 5, is amended to read:

Subd. 5. Center functions. (a) A teacher center shall perform functions according to this subdivision. The center shall assist teachers, diagnose learning needs, experiment with the use of multiple instructional approaches, assess pupil outcomes, assess staff development needs and plans, and teach school personnel about effective pedagogical
approaches. The center shall develop and produce curricula and curricular materials
designed to meet the educational needs of pupils being served, by applying educational
research and new and improved methods, practices, and techniques. The center shall
provide programs to improve the skills of teachers to meet the special educational needs of
pupils. The center shall provide programs to familiarize teachers with developments in
curriculum formulation and educational research, including how research can be used to
improve teaching skills. The center shall facilitate sharing of resources, ideas, methods,
and approaches directly related to classroom instruction and improve teachers' familiarity
with current teaching materials and products for use in their classrooms. The center shall
provide in-service programs.

(b) Each teacher center must provide a professional development program to train
interested and highly qualified elementary, middle, and secondary teachers, selected by the
employing school district, to assist other teachers in that district with mathematics and
science curriculum, standards, and instruction so that all teachers have access to:

(1) high quality professional development programs in mathematics and science that
address curriculum, instructional methods, alignment of standards, and performance
measurements, enhance teacher and student learning, and support state mathematics and
science standards; and

(2) research-based mathematics and science programs and instructional models
premised on best practices that inspire teachers and students and have practical classroom
application.

Sec. 22. Minnesota Statutes 2014, section 123B.49, subdivision 4, is amended to read:

Subd. 4. Board control of extracurricular activities. (a) The board may take
charge of and control all extracurricular activities of the teachers and children of the public
schools in the district. Extracurricular activities means all direct and personal services for
pupils for their enjoyment that are managed and operated under the guidance of an adult
or staff member. The board shall allow all resident pupils receiving instruction in a home
school as defined in section 123B.36, subdivision 1, paragraph (a), to be eligible to fully
participate in extracurricular activities on the same basis as public school students. The
board also shall allow all resident pupils receiving instruction in a charter school located
within the district, in an online charter school or in an online school to be eligible to fully
participate in extracurricular activities on the same basis as public school students if the
charter school or online school is not a member of an interscholastic conference or a party
to a cooperative sponsorship agreement for purposes of those activities.

(b) Extracurricular activities have all of the following characteristics:
(1) they are not offered for school credit nor required for graduation;
(2) they are generally conducted outside school hours, or if partly during school
hours, at times agreed by the participants, and approved by school authorities;
(3) the content of the activities is determined primarily by the pupil participants
under the guidance of a staff member or other adult.
(c) If the board does not take charge of and control extracurricular activities, these
activities shall be self-sustaining with all expenses, except direct salary costs and indirect
costs of the use of school facilities, met by dues, admissions, or other student fund-raising
events. The general fund must reflect only those salaries directly related to and readily
identified with the activity and paid by public funds. Other revenues and expenditures for
extra curricular activities must be recorded according to the Manual for Activity Fund
Accounting. Extracurricular activities not under board control must have an annual
financial audit and must also be audited annually for compliance with this section.
(d) If the board takes charge of and controls extracurricular activities, any or all
costs of these activities may be provided from school revenues and all revenues and
expenditures for these activities shall be recorded in the same manner as other revenues
and expenditures of the district.
(e) If the board takes charge of and controls extracurricular activities, the teachers or
pupils in the district must not participate in such activity, nor shall the school name or any
allied name be used in connection therewith, except by consent and direction of the board.

**EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and
later.

Sec. 23. Minnesota Statutes 2015 Supplement, section 124D.231, subdivision 2,
is amended to read:

Subd. 2. **Full-service community school program.** (a) The commissioner shall
provide funding to eligible school sites to plan, implement, and improve full-service
community schools. Eligible school sites must meet one of the following criteria:
(1) the school is on a development plan for continuous improvement under section
120B.35, subdivision 2; or
(2) the school is in a district that has an achievement and integration plan approved
by the commissioner of education under sections 124D.861 and 124D.862.
(b) An eligible school site may receive up to $100,000 annually. School sites
receiving funding under this section shall hire or contract with a partner agency to hire a
site coordinator to coordinate services at each covered school site.
(c) Implementation funding of up to $20,000 must be available for up to one year for planning for school sites. At the end of this period, the school must submit a full-service community school plan, pursuant to paragraph (g).

(d) The commissioner shall dispense the funds to schools with significant populations of students receiving free or reduced-price lunches. Schools with significant homeless and highly mobile students shall also be a priority. The commissioner must also dispense the funds in a manner to ensure equity among urban, suburban, and greater Minnesota schools.

(e) A school site must establish a school leadership team responsible for developing school-specific programming goals, assessing program needs, and overseeing the process of implementing expanded programming at each covered site. The school leadership team shall have between 12 to 15 members and shall meet the following requirements:

(1) at least 30 percent of the members are parents and 30 percent of the members are teachers at the school site and must include the school principal and representatives from partner agencies; and

(2) the school leadership team must be responsible for overseeing the baseline analyses under paragraph (f). A school leadership team must have ongoing responsibility for monitoring the development and implementation of full-service community school operations and programming at the school site and shall issue recommendations to schools on a regular basis and summarized in an annual report. These reports shall also be made available to the public at the school site and on school and district Web sites.

(f) School sites must complete a baseline analysis prior to beginning programming as a full-service community school. The analysis shall include:

(1) a baseline analysis of needs at the school site, led by the school leadership team, which shall include the following elements:

(i) identification of challenges facing the school;

(ii) analysis of the student body, including:

(A) number and percentage of students with disabilities and needs of these students;

(B) number and percentage of students who are English learners and the needs of these students;

(C) number of students who are homeless or highly mobile; and

(D) number and percentage of students receiving free or reduced-price lunch and the needs of these students;

(iii) analysis of enrollment and retention rates for students with disabilities, English learners, homeless and highly mobile students, and students receiving free or reduced-price lunch;
(iv) analysis of suspension and expulsion data, including the justification for such disciplinary actions and the degree to which particular populations, including, but not limited to, students of color, students with disabilities, students who are English learners, and students receiving free or reduced-price lunch are represented among students subject to such actions;

(v) analysis of school achievement data disaggregated by major demographic categories, including, but not limited to, race, ethnicity, English learner status, disability status, and free or reduced-price lunch status;

(vi) analysis of current parent engagement strategies and their success; and

(vii) evaluation of the need for and availability of wraparound services, including, but not limited to:

(A) mechanisms for meeting students' social, emotional, and physical health needs, which may include coordination of existing services as well as the development of new services based on student needs; and

(B) strategies to create a safe and secure school environment and improve school climate and discipline, such as implementing a system of positive behavioral supports, and taking additional steps to eliminate bullying;

(2) a baseline analysis of community assets and a strategic plan for utilizing and aligning identified assets. This analysis should include, but is not limited to, a documentation of individuals in the community, faith-based organizations, community and neighborhood associations, colleges, hospitals, libraries, businesses, and social service agencies who may be able to provide support and resources; and

(3) a baseline analysis of needs in the community surrounding the school, led by the school leadership team, including, but not limited to:

(i) the need for high-quality, full-day child care and early childhood education programs;

(ii) the need for physical and mental health care services for children and adults; and

(iii) the need for job training and other adult education programming.

(g) Each school site receiving funding under this section must establish at least two of the following types of programming:

(1) early childhood:

(i) early childhood education; and

(ii) child care services;

(2) academic:

(i) academic support and enrichment activities, including expanded learning time;

(ii) summer or after-school enrichment and learning experiences;
(iii) job training, internship opportunities, and career counseling services;
(iv) programs that provide assistance to students who have been truant, suspended, or expelled; and
(v) specialized instructional support services;
(3) parental involvement:
(i) programs that promote parental involvement and family literacy, including the Reading First and Early Reading First programs authorized under part B of title I of the Elementary and Secondary Education Act of 1965, United States Code, title 20, section 6361, et seq.;
(ii) parent leadership development activities; and
(iii) parenting education activities;
(4) mental and physical health:
(i) mentoring and other youth development programs, including peer mentoring and conflict mediation;
(ii) juvenile crime prevention and rehabilitation programs;
(iii) home visitation services by teachers and other professionals;
(iv) developmentally appropriate physical education;
(v) nutrition services;
(vi) primary health and dental care; and
(vii) mental health counseling services;
(5) community involvement:
(i) service and service-learning opportunities;
(ii) adult education, including instruction in English as a second language; and
(iii) homeless prevention services;
(6) positive discipline practices; and
(7) other programming designed to meet school and community needs identified in the baseline analysis and reflected in the full-service community school plan.
(h) The school leadership team at each school site must develop a full-service community school plan detailing the steps the school leadership team will take, including:
(1) timely establishment and consistent operation of the school leadership team;
(2) maintenance of attendance records in all programming components;
(3) maintenance of measurable data showing annual participation and the impact of programming on the participating children and adults;
(4) documentation of meaningful and sustained collaboration between the school and community stakeholders, including local governmental units, civic engagement organizations, businesses, and social service providers;
(5) establishment and maintenance of partnerships with institutions, such as universities, hospitals, museums, or not-for-profit community organizations to further the development and implementation of community school programming;

(6) ensuring compliance with the district nondiscrimination policy; and

(7) plan for school leadership team development.

Sec. 24. Minnesota Statutes 2015 Supplement, section 124D.73, subdivision 4, is amended to read:

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

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

(2) is eligible for a grant under federal Title IV-VI of the Elementary and Secondary Education Act for the education of American Indian children.

Sec. 25. [124D.8957] PREKINDERGARTEN THROUGH GRADE 12

PARENTAL RIGHTS CODED ELSEWHERE.

Subdivision 1. Scope. The sections referred to in subdivisions 2 to 30 are codified outside this section. Those sections govern parental rights related to topics in prekindergarten through grade 12 education.

Subd. 2. Compulsory instruction. Parental rights related to compulsory instruction, including the right to: withdraw a child from school; notice related to transfer of disciplinary records; excuse a child from school for illnesses, appointments, or religious events; and access by noncustodial parents to school records and conferences, among other rights, are governed by section 120A.22.

Subd. 3. Longitudinal data. The parental right to annual summary longitudinal performance and progress data is governed by section 120B.31.

Subd. 4. Antibullying. Parental rights related to school district antibullying policies, including the right to be involved in developing the policies, the right to be notified of incidents of prohibited conduct, and the right to be informed of data practices laws, are governed by section 121A.031.

Subd. 5. Student discipline policies. The parental right to notice in student discipline policies of rights under the Safe and Supportive Minnesota Schools Act is governed by section 121A.0311.

Subd. 6. Early childhood development screening. Parental rights to certain notice requirements related to early childhood development screening and to receive results of early childhood development screening are governed by section 121A.17. The parental
right to provide consent before individual screening data may be disclosed to a school
district is governed by section 121A.18.

Subd. 7. Chemical abuse. The parental right to be informed of a reported case of
chemical abuse by a minor student is governed by section 121A.26.

Subd. 8. Pesticides. The parental right to be notified regarding the use of pesticides
at a school is governed by the Janet B. Johnson Parents' Right-to-Know Act under section
121A.30.

Subd. 9. Student dismissal. The parental right to notice and a meeting regarding
the removal of a student for more than ten days is governed by section 121A.45.

Subd. 10. Exclusion and expulsion. The parental right to be included in exclusion
or expulsion hearing procedures, including access to records, ability to testify and present
evidence, and inclusion in the student's readmission plan, is governed by section 121A.47.

Subd. 11. Exclusion and expulsion appeal. The parental right to notice of the right
to appeal an exclusion or expulsion decision is governed by section 121A.49.

Subd. 12. Reinstatement after termination of dismissal. The parental right to
notice of a student's right to be reinstated after the termination of dismissal is governed
by section 121A.54.

Subd. 13. Interdistrict cooperation. The parental right to notice of an
informational school board meeting relating to discontinuing interdistrict cooperation
is governed by section 123A.32.

Subd. 14. Background checks. The parental right to notice of a school's
background check policy for hiring teachers is governed by section 123B.03.

Subd. 15. Textbook fees. The parental right to notice of a school board's policy to
charge fees for textbooks lost or destroyed by students is governed by section 123B.37.

Subd. 16. Transportation privileges. The parental right to surrender a student's
privilege to receive transportation services from a school district is governed by section
123B.88.

Subd. 17. Nonresident district policies. The parental right to receive notice of: a
decision on an application by a student to attend school in a nonresident district; the
transportation policies of the nonresident district; and the right to be reimbursed for costs
of transportation to the nonresident district's border are governed by section 124D.03.

Subd. 18. Out-of-state districts. Under section 124D.04, the parental rights related
to a student attending a nonresident district under section 124D.03 apply to a student
attending an out-of-state district.
Subd. 19. Free or reduced-price lunch eligibility. The parental right to opt a child out of disclosing a child's eligibility for free or reduced-price lunch to the Department of Education and the Department of Human Services is governed by section 124D.1115.

Subd. 20. Learning year programs. The parental right to notice of optional learning year programs is governed by section 124D.128.

Subd. 21. English learners programs. Parental rights related to student enrollment in programs for English learners, including notice, withdrawal, and parental involvement, are governed by section 124D.60.

Subd. 22. Charter school transportation. The parental right to receive notice of a charter school's transportation policy and the right to be reimbursed for costs of transportation to the border of the district in which the charter school is located are governed by section 124E.15.

Subd. 23. Services for children with disabilities. The parental right to be included in determining the appropriate and necessary services for students with disabilities is governed by section 125A.027.

Subd. 24. Data on children with disabilities. The parental right to notice and involvement regarding online reporting of data related to children with disabilities is governed by section 125A.085.

Subd. 25. Special education alternative dispute resolution. Parental rights regarding notice, participation, and due process related to special education alternative dispute resolution procedures are governed by section 125A.091.

Subd. 26. Third-party reimbursement for children with disabilities. The parental right to notice of a school district seeking reimbursement from medical assistance or MinnesotaCare for services rendered to a student with a disability is governed by section 125A.21.

Subd. 27. Services provided to children with disabilities. Parental rights related to services provided to students eligible for Part C services under the Individuals with Disabilities Education Act and the right to receive written materials regarding the implementation of Part C services are governed by sections 125A.42 and 125A.48. The parental right to use mediation to resolve disputes under section 125A.42 is governed by section 125A.43.

Subd. 28. Minnesota State Academies discharge. The parental right to notice of a student's discharge from the Minnesota State Academies is governed by section 125A.68.

Subd. 29. Education records for military children. The parental right to education records under the Interstate Compact on Educational Opportunity for Military Children is governed by section 127A.85.
27.1 Subd. 30. **Appeal adverse school board decision.** The parental right to appeal a school board decision adversely affecting an academic program of an enrolled student is governed by section 129C.10.

27.4 Sec. 26. [127A.053] **STATE ADMINISTRATION OF STUDENT SURVEY INSTRUMENTS GENERALLY PROHIBITED.**

Notwithstanding other law to the contrary, and with the exception of section 120B.35, subdivision 3, paragraph (d), the commissioner must not develop, coordinate, assist with, or use a statewide student survey seeking information about a student's activities, opinions, behaviors, or experiences related to substance abuse, tobacco use, connections with family, healthy eating, high school students' gambling and sexual activities, or out-of-school activities, among other topics.

27.12 Sec. 27. Minnesota Statutes 2014, section 127A.095, is amended to read:

**127A.095 IMPLEMENTATION OF NO-CHILD-LEFT-BEHIND ACT ELEMENTARY AND SECONDARY EDUCATION ACT.**

Subdivision 1. **Continued implementation.** The Department of Education shall continue to implement the federal No Child Left Behind Act, Public Law 107-110, Elementary and Secondary Education Act without interruption.

Subd. 2. **No Child Left Behind review.** (a) The legislature intends to require the Department of Education to conduct a comprehensive review of the consolidated state plan the state submitted to the federal Department of Education to implement the No Child Left Behind Act. The Minnesota Department of Education shall seek waivers under paragraph (b). If the Department of Education is unable to obtain waivers under paragraph (b), it should recommend in its report under paragraph (b) whether the state should opt out of the No Child Left Behind Act.

(b) The commissioner, by January 15, 2008, shall report to the house of representatives and senate committees having jurisdiction over kindergarten through grade 12 education policy and finance whether the department has received approval from the federal Department of Education to:

(1) participate in the growth model pilot program;

(2) exclude from sanctions schools that have not made adequate yearly progress due solely to a subgroup of students with disabilities not testing at a proficient level;

(3) identify a school as not making adequate yearly progress only after the school has missed the adequate yearly progress targets in the same subgroup for two consecutive years;

Article 2 Sec. 27.
(4) determine when to hold schools accountable for including an English learner in adequate yearly progress calculations;

(5) allow a district not making adequate yearly progress to offer supplemental educational services as an option before offering school choice;

(6) allow a district not making adequate yearly progress to also be the supplemental educational services provider;

(7) allow the state to maintain a subgroup size to 40 for the purposes of calculating adequate yearly progress for subgroups of English learners and subgroups of students with disabilities; and

(8) create flexibility to enable the state to define and identify highly qualified teachers.

Subd. 3. Department of Management and Budget certification. If the federal Department of Education does not transmit to the commissioner of education its approval of the conditions in subdivision 2, paragraph (b), the commissioner of management and budget shall certify and report to the legislature annually beginning January 1, 2008, the amount of federal revenue, if any, that the federal government may withhold as a result of a potential state decision to discontinue implementation of the No Child Left Behind Act Elementary and Secondary Education Act. The report shall also specify the intended purpose of the federal revenue and the amount of revenue that the federal government may withhold from the state, each school district, and each charter school in each fiscal year.

Sec. 28. [136F.3025] MINNESOTA COMPREHENSIVE ASSESSMENT

COLLEGE-READY SCORE.

A state college or university may not require an individual to take a remedial, noncredit course in a subject area if the individual has received a college-ready Minnesota Comprehensive Assessment score in that subject area, consistent with section 120B.30, subdivision 1, paragraph (e).

EFFECTIVE DATE. This section is effective for the 2018-2019 school year and later.

Sec. 29. Laws 2012, chapter 263, section 1, as amended by Laws 2014, chapter 312, article 15, section 24, is amended to read:

Section 1. INNOVATIVE DELIVERY OF CAREER AND TECHNICAL EDUCATION PROGRAMS AND SERVICES AND SHARING OF DISTRICT RESOURCES: PILOT PROJECT.

Subdivision 1. Establishment; requirements for participation. (a) A pilot project program is established to improve student, career and college readiness, and school
outcomes by allowing groups of school districts to work together in partnership with local
and regional postsecondary institutions and programs, community institutions, and other
private, public, for profit, and not for profit workplace partners, to: provide innovative
education programs and activities that integrate core academic and career and technical
subjects in students' program of study through coordinated secondary and postsecondary
career and technical programs leading to an industry certification or other credential;
provide embedded professional development for program participants; use performance
assessments in authentic settings to measure students' technical skills and progress toward
attaining an industry certification or other credential; and efficiently share district,
institution, and workplace resources. The pilot project may last until June 30, 2018, or
for up to five years, whichever is less, except that innovation partnerships formed during
the period of the pilot project may continue past June 30, 2018, with the agreement of
the partnership members.

(b) To participate in this pilot project program to improve student, career and college
readiness, and school outcomes, a group of two or more school districts must collaborate
with school staff and project partners and receive formal school board approval to form a
partnership. The partnership must develop a plan to provide challenging programmatic
options for students under paragraph (a), create professional development opportunities
for educators and other program participants, increase student engagement and connection
and challenging learning opportunities for diverse populations of students that are focused
on employability skills and technical, job-specific skills related to a specific career
pathway, or demonstrate efficiencies in delivering financial and other services needed to
realize plan goals and objectives. The plan must establish include:

(1) collaborative educational goals and objectives;
(2) strategies and processes to implement those goals and objectives, including a
budget process with periodic expenditure reviews;
(3) valid and reliable measures including performance assessments in authentic
settings and progress toward attaining an industry certification or other credential, among
other measures, to evaluate progress in realizing the goals and objectives;
(4) an implementation timeline; and
(5) other applicable conditions, regulations, responsibilities, duties, provisions, fee
schedules, and legal considerations needed to fully implement the plan.

A partnership may invite additional districts or other participants under paragraph
(a) to join the partnership during the pilot project term after notifying the commissioner.
(c) A partnership of interested districts must apply by February 1 of any year submit
an application to the education commissioner in the form and manner the commissioner

Article 2 Sec. 29.
determines, consistent with the requirements of this section. The application must contain
the formal approval adopted by the school board in each district to participate in the plan.

(d) Notwithstanding other law to the contrary, a participating school district under
this section continues to: receive revenue and maintain its taxation authority; be organized
and governed by an elected school board with general powers under Minnesota Statutes,
section 123B.02; and be subject to employment agreements under Minnesota Statutes,
chapter 122A, and Minnesota Statutes, section 179A.20; and district employees continue
to remain employees of the employing school district.

(e) Participating districts must submit a biennial report by February 1 in each
odd-numbered year to the education committees of the legislature and the education
commissioner that includes performance assessment, high school graduation, and career
and technical certification data to show the success of the partnership in preparing diverse
populations of students for careers and jobs.

Subd. 2. Commissioner's role. Interested groups of school districts must submit
a completed application to the commissioner by March 1 of in any year in the form and
manner determined by the commissioner. The education commissioner must convene
an advisory panel composed of a teacher appointed by Education Minnesota, a school
principal appointed by the Minnesota Association of Secondary School Principals, a
school board member appointed by the Minnesota School Boards Association, and a
school superintendent appointed by the Minnesota Association of School Administrators
to advise the commissioner on applicants' qualifications to participate in this pilot project
program. The commissioner may select up to six qualified applicants under subdivision 1
by April 1 of any year to participate in this pilot project, ensuring must ensure an equitable
geographical distribution of project program participants to the extent practicable. The
commissioner must select only those applicants that fully comply with the requirements in
subdivision 1. The commissioner must may terminate a project program participant that
fails to effectively implement the goals and objectives contained in its application and
according to its stated timeline.

Subd. 3. Pilot project evaluation. Participating school districts must submit pilot
project data to the commissioner in the form and manner determined by the commissioner.
The education commissioner must analyze participating districts' progress in realizing
their educational goals and objectives to work together in providing innovative education
programs and activities and sharing resources. The commissioner must include the
analysis of best practices in a report to the legislative committees with jurisdiction over
kindergarten through grade 12 education finance and policy on the efficacy of this pilot
project. The commissioner shall submit an interim project report by February 1, 2016, and
must submit a final report to the legislature by February 1, 2019, recommending whether or not to continue or expand the pilot project.

EFFECTIVE DATE. (a) This section is effective the day following final enactment and applies to those applications submitted after that date.

(b) Districts already approved for an innovation zone pilot project may continue to operate under Laws 2012, chapter 263, section 1, as amended by Laws 2014, chapter 312, article 15, section 24.

Sec. 30. LEGISLATIVE STUDY GROUP ON EDUCATOR LICENSURE.

(a) A 12-member legislative study group on educator licensure is created to review the 2016 "Minnesota Teacher Licensure" report prepared by the Minnesota Office of the Legislative Auditor on teacher licensing and submit a written report by February 1, 2017, to the legislature recommending how to restructure Minnesota's teacher licensure system by consolidating all teacher licensure activities into a single state entity to ensure transparency and consistency or, at a minimum, by clarifying existing teacher licensure responsibilities to provide transparency and consistency. In developing its recommendations, the study group is encouraged to consider the tiered licensure system recommended in the legislative auditor's report, among other recommendations. The study group is encouraged to begin its work by consulting with teachers currently teaching in Minnesota school districts, charter schools, and nonpublic schools and with out-of-state teachers currently licensed or seeking a license in Minnesota. The study group is encouraged to identify and include in its report any statutory changes needed to implement the study group recommendations.

(b) The legislative study group on educator licensure includes:

(1) six duly elected and currently serving members of the Minnesota House of Representatives, three appointed by the house speaker and three appointed by the house minority leader, and one of whom must be the current chair of the house Education Innovation Policy Committee; and

(2) six duly elected and currently serving state senators, three appointed by the senate majority leader and three appointed by the senate minority leader, and one of whom must be the current chair of the senate Education Committee.

Only duly elected and currently serving members of the Minnesota House of Representatives or the state senate may be study group members.

(c) The appointments must be made by June 1, 2016, and expire February 2, 2017. If a vacancy occurs, the leader of the caucus in the house or senate to which the vacating study group member belonged must fill the vacancy. The chair of the house Education Innovation Policy Committee shall convene the first meeting of the study group. The
study group shall elect a chair or cochairs from among the members at that first meeting. The study group must meet periodically. The Legislative Coordinating Commission shall provide technical and administrative assistance upon request.

(d) In reviewing the legislative auditor's report and developing its recommendations, the study group must consult with the Board of Teaching, the licensing division at the Minnesota Department of Education, the Minnesota Board of School Administrators, and interested and affected stakeholders.

(e) The study group expires on February 2, 2017, unless extended by law.

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

Sec. 31. BOARD OF TEACHING REPORT.

The Board of Teaching must prepare and submit a written report to the education committees of the legislature by February 1, 2017, listing: all the statutory and rule requirements on teacher preparation, examinations, and training applicable to candidates for teacher licensure, by type of license; and all the statutory and rule requirements on continuing education applicable to teachers seeking to renew their full professional teaching license.

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

Sec. 32. DATA SECURITY PLAN.

Subdivision 1. Plan components. To protect education and related workforce data on individual students maintained by public schools, school districts, and state agencies, and consistent with Minnesota Statutes, chapter 13, and sections 116J.401, 120B.11, 120B.12, 120B.30, 120B.31, 120B.35, 120B.36, 124D.49, 124D.52, 124D.861, 125A.085, and 127A.70, subdivision 2, among other student data-related provisions, the commissioner of education must develop, publish, and oversee a detailed data security plan combining administrative, physical, and technical safeguards that includes:

1. guidelines for:

   (i) authorizing access to the K-12 data systems containing personally identifiable information on students;

   (ii) authorizing data and system access for other agencies participating in the Statewide Longitudinal Education Data System and the Early Childhood Longitudinal Data System;

   (iii) authenticating authorized access to and the processing of personally identifiable information on students;
(iv) protecting data that describes a student or otherwise identifies a student gathered by an operator of an Internet Web site, online service, online application, or mobile application that operates a site, service, or application for kindergarten through grade 12 school purposes; and

(v) sanctions for employees, contractors, grantees, researchers, and vendors who fail to comply with the guidelines;

(2) minimum privacy compliance standards based on reasonable and enforceable security measures and practices, including background checks, training opportunities and resources, physical and technical safeguards, and privacy and security agreements for employees, contractors, grantees, researchers, and vendors with access to personally identifiable information on students, among other privacy and security measures and practices;

(3) regular privacy and security compliance audits of the Statewide Longitudinal Education Data System and other data systems; and

(4) data retention, storage, disposal, and security policies and protocols that include:

(i) safeguards for protecting, managing, accessing, and destroying students' personally identifiable data; and

(ii) plans, notices, and mitigation procedures for responding to data breaches, among other such policies and protocols.

Subd. 2. Plan report. The commissioner of education must submit a report by February 10, 2017, to the education and data practices committees of the legislature on the Department of Education's progress in developing the data security plan and include in the report estimates of the costs for further developing and implementing the plan, including audit, background check, and training costs, among other costs.

Subd. 3. Plan costs. The commissioner of education must proceed developing the data security plan under subdivision 1 using existing Department of Education resources.

Subd. 4. Plan implementation. The commissioner of education may not proceed to implement the data security plan under this section until July 1, 2017.

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

Sec. 33. REVISOR'S INSTRUCTION.

In the next and subsequent editions of Minnesota Statutes, the revisor of statutes shall renumber section 29 as Minnesota Statutes, section 124D.339.
Sec. 34. REPEALER.

(a) Minnesota Statutes 2014, sections 120B.299, subdivision 5; 122A.413, subdivision 3; 122A.74; and 127A.095, subdivision 2, are repealed.

(b) Minnesota Statutes 2015 Supplement, section 122A.413, subdivisions 1 and 2, are repealed.

ARTICLE 3

CHARTER SCHOOLS

Section 1. Minnesota Statutes 2015 Supplement, section 124E.05, subdivision 4, is amended to read:

Subd. 4. Application content. (a) An applicant must include in its application to the commissioner to be an approved authorizer at least the following:

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

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

(2) a description of the capacity of the organization to serve as an authorizer, including the positions allocated to authorizing duties, the qualifications for those positions, and the full-time equivalencies of those positions, and the financial resources available to fund the positions. The commissioner may use information about specific individuals expected to perform the authorizing duties in deciding whether to approve or disapprove an organization's application to be approved as an authorizer. The commissioner may not use information about specific individuals performing the authorizing duties in reviewing an approved authorizer's performance;

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

(4) a description of the type of contract it will arrange with the schools it charters that meets the provisions of section 124E.10;

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

(6) a description of the criteria and process the authorizer will use to grant expanded applications under section 124E.06, subdivision 5;

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

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

(b) Notwithstanding paragraph (a), an authorizer that is a school district may satisfy
the requirements of paragraph (a), clauses (1) and (2), and any requirement governing a
conflict of interest between an authorizer and its charter schools or ongoing evaluation and
continuing education of an administrator or other professional support staff by submitting
to the commissioner a written promise to comply with the requirements.

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

Sec. 2. Minnesota Statutes 2015 Supplement, section 124E.05, subdivision 5, is
amended to read:

Subd. 5. Review by commissioner. (a) The commissioner shall review an
authorizer's performance every five years in a manner and form determined by the
commissioner, subject to paragraphs (b) and (c), and may review an authorizer's
performance more frequently at the commissioner's own initiative or at the request of a
charter school operator, charter school board member, or other interested party. The
commissioner, after completing the review, shall transmit a report with findings to the
authorizer.

(b) Consistent with section 124E.05, subdivision 5, the commissioner must:

(1) use criteria appropriate to the authorizer and the schools it charters to review
the authorizer's performance; and

(2) consult with authors, charter school operators, and other charter school
stakeholders in developing review criteria under this paragraph.

(c) The commissioner's form must use existing department data on the authorizer to
minimize duplicate reporting to the extent practicable. When reviewing an authorizer's
performance under this subdivision, the commissioner must not:

(1) fail to credit;

(2) withhold points; or

(3) otherwise penalize an authorizer for failing to charter additional schools or for
the absence of complaints against the authorizer's current portfolio of charter schools.

EFFECTIVE DATE. This section is effective the day following final enactment.
Sec. 3. Minnesota Statutes 2015 Supplement, section 124E.05, subdivision 7, is amended to read:

Subd. 7. Withdrawal. If the governing board of an approved authorizer votes to withdraw as an approved authorizer for a reason unrelated to any cause under section 124E.10, subdivision 4, the authorizer must notify all its chartered schools and the commissioner in writing by July 15 of its intent to withdraw as an authorizer on June 30 in the next calendar year, regardless of when the authorizer’s five-year term of approval ends. The commissioner may approve the transfer of a charter school to a new authorizer under this subdivision after the new authorizer submits an affidavit to the commissioner section 124E.10, subdivision 5.

Sec. 4. Minnesota Statutes 2015 Supplement, section 124E.10, subdivision 1, is amended to read:

Subdivision 1. Contents. (a) The authorization for a charter school must be in the form of a written contract signed by the authorizer and the board of directors of the charter school. The contract must be completed within 45 business days of the commissioner's approval of the authorizer's affidavit. The authorizer shall submit to the commissioner a copy of the signed charter contract within ten business days of its execution. The contract for a charter school must be in writing and contain at least the following:

(1) a declaration that the charter school will carry out the primary purpose in section 124E.01, subdivision 1, and how the school will report its implementation of the primary purpose;

(2) a declaration of the additional purpose or purposes in section 124E.01, subdivision 1, that the school intends to carry out and how the school will report its implementation of those purposes;

(3) a description of the school program and the specific academic and nonacademic outcomes that pupils must achieve;

(4) a statement of admission policies and procedures;

(5) a governance, management, and administration plan for the school;

(6) signed agreements from charter school board members to comply with all federal and state laws governing organizational, programmatic, and financial requirements applicable to charter schools;

(7) the criteria, processes, and procedures that the authorizer will use to monitor and evaluate the fiscal, operational, and academic performance consistent with subdivision 3, paragraphs (a) and (b);
(8) for contract renewal, the formal written performance evaluation of the school
that is a prerequisite for reviewing a charter contract under subdivision 3;

(9) types and amounts of insurance liability coverage to be obtained by the charter
school, consistent with section 124E.03, subdivision 2, paragraph (d);

(10) consistent with section 124E.09, paragraph (d), a provision to indemnify and
hold harmless the authorizer and its officers, agents, and employees from any suit, claim,
or liability arising from any operation of the charter school, and the commissioner and
department officers, agents, and employees notwithstanding section 3.736;

(11) the term of the initial contract, which may be up to five years plus an additional
a preoperational planning year period, and up to five years for a renewed contract or a
contract with a new authorizer after a transfer of authorizers, if warranted by the school’s
academic, financial, and operational performance;

(12) how the board of directors or the operators of the charter school will 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;

(13) the specific conditions for contract renewal that identify performance of all
students under the primary purpose of section 124E.01, subdivision 1, as the most
important factor in determining contract renewal;

(14) the additional purposes under section 124E.01, subdivision 1, and related
performance obligations under clause (7) contained in the charter contract as additional
factors in determining contract renewal; and

(15) the plan for an orderly closing of the school under chapter 317A, whether
the closure is a termination for cause, a voluntary termination, or a nonrenewal of the
contract, that includes establishing the responsibilities of the school board of directors
and the authorizer and notifying the commissioner, authorizer, school district in which the
charter school is located, and parents of enrolled students about the closure, information
and assistance sufficient to enable the student to re-enroll in another school, the transfer
of student records under section 124E.03, subdivision 5, paragraph (b), and procedures
for closing financial operations.

(b) A charter school must design its programs to at least meet the outcomes adopted
by the commissioner for public school students, including world's best workforce goal
under section 120B.11, subdivision 1. In the absence of the commissioner's requirements,
the school must meet the outcomes contained in the contract with the authorizer. The
achievement levels of the outcomes contained in the contract may exceed the achievement
levels of any outcomes adopted by the commissioner for public school students.

Sec. 5. Minnesota Statutes 2015 Supplement, section 124E.10, subdivision 5, is
amended to read:

Subd. 5. Mutual nonrenewal. If the authorizer and the charter school board of
directors mutually agree not to renew the contract, or if the governing board of an approved
authorizer votes to withdraw as an approved authorizer for a reason unrelated to any cause
under subdivision 4, a change in authorizers is allowed. The authorizer and the school
board must jointly submit a written and signed letter of their intent to the commissioner to
mutually not renew the contract. The authorizer that is a party to the existing contract must
inform the proposed authorizer about the fiscal, operational, and student performance status
of the school, as well as any including unmet contract outcomes and other outstanding
contractual obligations that exist. The charter contract between the proposed authorizer
and the school must identify and provide a plan to address any outstanding obligations from
the previous contract. The proposed contract must be submitted at least 105 business days
before the end of the existing charter contract. The commissioner shall have 30 business
days to review and make a determination. The proposed authorizer and the school shall
have 15 business days to respond to the determination and address any issues identified by
the commissioner. A final determination by the commissioner shall be made no later than
45 business days before the end of the current charter contract. If no change in authorizer
is approved, the school and the current authorizer may withdraw their letter of nonrenewal
and enter into a new contract. If the transfer of authorizers is not approved and the current
authorizer and the school do not withdraw their letter and enter into a new contract, the
school must be dissolved according to applicable law and the terms of the contract.

Sec. 6. Minnesota Statutes 2015 Supplement, section 124E.16, subdivision 2, is
amended to read:

Subd. 2. Annual public reports. (a) A charter school must publish an annual report
approved by the board of directors. The annual report must at least include information
on school enrollment, student attrition, governance and management, staffing, finances,
academic performance, innovative practices and implementation, and future plans. A
charter school may combine this report with the reporting required under section 120B.11.
A charter school must post the annual report on the school's official Web site. A charter
school must also distribute the annual report by publication, mail, or electronic means to
its authorizer, school employees, and parents and legal guardians of students enrolled in the charter school. The reports are public data under chapter 13.

(b) The commissioner shall establish specifications for An authorizer must submit an authorizer's annual public report that in a manner specified by the commissioner by January 15 for the previous school year ending June 30 that shall at least include key indicators of school academic, operational, and financial performance. The report is part of the system to evaluate authorizer performance under section 124E.05, subdivision 5. The report shall at least include key indicators of school academic, operational, and financial performance.

ARTICLE 4

SPECIAL EDUCATION

Section 1. Minnesota Statutes 2015 Supplement, section 120B.125, is amended to read:

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

(a) Consistent with sections 120B.13, 120B.131, 120B.132, 120B.14, 120B.15, 120B.30, subdivision 1, paragraph (c), 125A.08, and other related sections, school districts, beginning in the 2013-2014 school year, must assist all students by no later than grade 9 to explore their educational, college, and career interests, aptitudes, and aspirations and develop a plan for a smooth and successful transition to postsecondary education or employment. All students' plans must:

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

(2) emphasize academic rigor and high expectations;

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

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

(5) help students access education and career options;

(6) integrate strong academic content into career-focused courses and applied and experiential learning opportunities and integrate relevant career-focused courses and applied and experiential learning opportunities into strong academic content;
(7) help identify and access appropriate counseling and other supports and assistance
that enable students to complete required coursework, prepare for postsecondary education
and careers, and obtain information about postsecondary education costs and eligibility
for financial aid and scholarship;

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

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

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

(c) Educators must possess the knowledge and skills to effectively teach all English
learners in their classrooms. School districts must provide appropriate curriculum,
targeted materials, professional development opportunities for educators, and sufficient
resources to enable English learners to become career and college ready.

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

(e) If a student with a disability has an individualized education program (IEP) or
standardized written plan that meets the plan components of this section, the IEP satisfies
the requirement and no additional transition plan is needed.

Sec. 2. Minnesota Statutes 2014, section 122A.31, subdivision 3, is amended to read:

Subd. 3. Qualified interpreters. The Department of Education and the resource
center, state specialist for deaf and hard of hearing, shall work with
existing interpreter/transliterator training programs, other training/educational institutions,
and the regional service centers to ensure that ongoing staff development training for
educational interpreters/transliterations is provided throughout the state.
Sec. 3. Minnesota Statutes 2014, section 124D.15, subdivision 15, is amended to read:

Subd. 15. Eligibility. A child is eligible to participate in a school readiness program if the child:

(1) is at least three years old on September 1;

(2) has completed health and developmental screening within 90 days of program enrollment under sections 121A.16 to 121A.19; and

(3) has one or more of the following risk factors:

(i) qualifies for free or reduced-price lunch;

(ii) is an English learner;

(iii) is homeless;

(iv) has an individualized education program (IEP) or an individual interagency intervention plan (IIIP) standardized written plan;

(v) is identified, through health and developmental screenings under sections 121A.16 to 121A.19, with a potential risk factor that may influence learning; or

(vi) is defined as at-risk by the school district.

Sec. 4. Minnesota Statutes 2015 Supplement, section 125A.08, is amended to read:

125A.08 INDIVIDUALIZED EDUCATION PROGRAMS.

(a) At the beginning of each school year, each school district shall have in effect, for each child with a disability, an individualized education program.

(b) As defined in this section, every district must ensure the following:

(1) all students with disabilities are provided the special instruction and services which are appropriate to their needs. Where the individualized education program team has determined appropriate goals and objectives based on the student's needs, including the extent to which the student can be included in the least restrictive environment, and where there are essentially equivalent and effective instruction, related services, or assistive technology devices available to meet the student's needs, cost to the district may be among the factors considered by the team in choosing how to provide the appropriate services, instruction, or devices that are to be made part of the student's individualized education program. The individualized education program team shall consider and may authorize services covered by medical assistance according to section 256B.0625, subdivision 26. The student's needs and the special education instruction and services to be provided must be agreed upon through the development of an individualized education program. The program must address the student's need to develop skills to live and work as independently as possible within the community. The individualized education program team must consider positive behavioral interventions, strategies, and supports that address
behavior needs for children. During grade 9, the program must address the student's
needs for transition from secondary services to postsecondary education and training,
employment, community participation, recreation, and leisure and home living. In
developing the program, districts must inform parents of the full range of transitional goals
and related services that should be considered. The program must include a statement of
the needed transition services, including a statement of the interagency responsibilities
or linkages or both before secondary services are concluded. If the IEP meets the plan
components in section 120B.125, the IEP satisfies the requirement and no additional
transition plan is needed;

(2) children with a disability under age five and their families are provided special
instruction and services appropriate to the child's level of functioning and needs;

(3) children with a disability and their parents or guardians are guaranteed procedural
safeguards and the right to participate in decisions involving identification, assessment
including assistive technology assessment, and educational placement of children with a
disability;

(4) eligibility and needs of children with a disability are determined by an initial
evaluation or reevaluation, which may be completed using existing data under United
States Code, title 20, section 33, et seq.;

(5) to the maximum extent appropriate, children with a disability, including those
in public or private institutions or other care facilities, are educated with children who
are not disabled, and that special classes, separate schooling, or other removal of children
with a disability from the regular educational environment occurs only when and to the
extent that the nature or severity of the disability is such that education in regular classes
with the use of supplementary services cannot be achieved satisfactorily;

(6) in accordance with recognized professional standards, testing and evaluation
materials, and procedures used for the purposes of classification and placement of children
with a disability are selected and administered so as not to be racially or culturally
discriminatory; and

(7) the rights of the child are protected when the parents or guardians are not known
or not available, or the child is a ward of the state.

(c) For all paraprofessionals employed to work in programs whose role in part is
to provide direct support to students with disabilities, the school board in each district
shall ensure that:

(1) before or beginning at the time of employment, each paraprofessional must
develop sufficient knowledge and skills in emergency procedures, building orientation,
roles and responsibilities, confidentiality, vulnerability, and reportability, among other
things, to begin meeting the needs, especially disability-specific and behavioral needs, of
the students with whom the paraprofessional works;

(2) annual training opportunities are required to enable the paraprofessional to
continue to further develop the knowledge and skills that are specific to the students with
whom the paraprofessional works, including understanding disabilities, the unique and
individual needs of each student according to the student's disability and how the disability
affects the student's education and behavior, following lesson plans, and implementing
follow-up instructional procedures and activities; and

(3) a districtwide process obligates each paraprofessional to work under the ongoing
direction of a licensed teacher and, where appropriate and possible, the supervision of a
school nurse.

Sec. 5. Minnesota Statutes 2014, section 125A.091, subdivision 11, is amended to read:

Subd. 11. Facilitated team meeting. A facilitated team meeting is an IEP, IFSP, or
MPP multiagency team meeting led by an impartial state-provided facilitator to promote
effective communication and assist a team in developing an individualized education
program.

Sec. 6. Minnesota Statutes 2015 Supplement, section 125A.0942, subdivision 3,
is amended to read:

Subd. 3. Physical holding or seclusion. (a) Physical holding or seclusion may be
used only in an emergency. A school that uses physical holding or seclusion shall meet the
following requirements:

(1) physical holding or seclusion is the least intrusive intervention that effectively
responds to the emergency;

(2) physical holding or seclusion is not used to discipline a noncompliant child;

(3) physical holding or seclusion ends when the threat of harm ends and the staff
determines the child can safely return to the classroom or activity;

(4) staff directly observes the child while physical holding or seclusion is being used;

(5) each time physical holding or seclusion is used, the staff person who implements
or oversees the physical holding or seclusion documents, as soon as possible after the
incident concludes, the following information:

(i) a description of the incident that led to the physical holding or seclusion;

(ii) why a less restrictive measure failed or was determined by staff to be
inappropriate or impractical;
(iii) the time the physical holding or seclusion began and the time the child was released; and
(iv) a brief record of the child's behavioral and physical status;
(6) the room used for seclusion must:
(i) be at least six feet by five feet;
(ii) be well lit, well ventilated, adequately heated, and clean;
(iii) have a window that allows staff to directly observe a child in seclusion;
(iv) have tamperproof fixtures, electrical switches located immediately outside the door, and secure ceilings;
(v) have doors that open out and are unlocked, locked with keyless locks that have immediate release mechanisms, or locked with locks that have immediate release mechanisms connected with a fire and emergency system; and
(vi) not contain objects that a child may use to injure the child or others; and
(7) before using a room for seclusion, a school must:
(i) receive written notice from local authorities that the room and the locking mechanisms comply with applicable building, fire, and safety codes; and
(ii) register the room with the commissioner, who may view that room; and
(8) until August 1, 2015, a school district may use prone restraints with children age five or older if:
(i) the district has provided to the department a list of staff who have had specific training on the use of prone restraints;
(ii) the district provides information on the type of training that was provided and by whom;
(iii) only staff who received specific training use prone restraints;
(iv) each incident of the use of prone restraints is reported to the department within five working days on a form provided by the department; and
(v) the district, before using prone restraints, must review any known medical or psychological limitations that contraindicate the use of prone restraints.

The department must collect data on districts' use of prone restraints and publish the data in a readily accessible format on the department's Web site on a quarterly basis.

(b) By February 1, 2015, and annually thereafter, stakeholders may, as necessary, recommend to the commissioner specific and measurable implementation and outcome goals for reducing the use of restrictive procedures and the commissioner must submit to the legislature a report on districts' progress in reducing the use of restrictive procedures that recommends how to further reduce these procedures and eliminate the use of prone restraints seclusion. The statewide plan includes the following components:
measurable goals; the resources, training, technical assistance, mental health services, and collaborative efforts needed to significantly reduce districts' use of prone restraints seclusion; and recommendations to clarify and improve the law governing districts' use of restrictive procedures. The commissioner must consult with interested stakeholders when preparing the report, including representatives of advocacy organizations, special education directors, teachers, paraprofessionals, intermediate school districts, school boards, day treatment providers, county social services, state human services department staff, mental health professionals, and autism experts. By June 30 Beginning with the 2016-2017 school year, in a form and manner determined by the commissioner, districts must report data quarterly to the department by January 15, April 15, July 15, and October 15, about individual students who have been secluded. By July 15 each year, districts must report summary data on their use of restrictive procedures to the department for the prior school year, July 1 through June 30, in a form and manner determined by the commissioner. The summary data must include information about the use of restrictive procedures, including use of reasonable force under section 121A.582.

**EFFECTIVE DATE.** This section is effective for the 2016-2017 school year and later.

Sec. 7. Minnesota Statutes 2014, section 125A.0942, subdivision 4, is amended to read:

Subd. 4. **Prohibitions.** The following actions or procedures are prohibited:

1. engaging in conduct prohibited under section 121A.58;
2. requiring a child to assume and maintain a specified physical position, activity, or posture that induces physical pain;
3. totally or partially restricting a child's senses as punishment;
4. presenting an intense sound, light, or other sensory stimuli using smell, taste, substance, or spray as punishment;
5. denying or restricting a child's access to equipment and devices such as walkers, wheelchairs, hearing aids, and communication boards that facilitate the child's functioning, except when temporarily removing the equipment or device is needed to prevent injury to the child or others or serious damage to the equipment or device, in which case the equipment or device shall be returned to the child as soon as possible;
6. interacting with a child in a manner that constitutes sexual abuse, neglect, or physical abuse under section 626.556;
7. withholding regularly scheduled meals or water;
8. denying access to bathroom facilities; and
(9) physical holding that restricts or impairs a child's ability to breathe, restricts or impairs a child's ability to communicate distress, places pressure or weight on a child's head, throat, neck, chest, lungs, sternum, diaphragm, back, or abdomen, or results in straddling a child's torso; and

(10) prone restraint.

EFFECTIVE DATE. The section is effective the day following final enactment.

Sec. 8. Minnesota Statutes 2015 Supplement, section 125A.63, subdivision 4, is amended to read:

Subd. 4. Advisory committees. (a) The commissioner shall establish advisory committees for the deaf and hard-of-hearing and for the blind and visually impaired. The advisory committees shall develop recommendations and submit an annual report to the commissioner on the form and in the manner prescribed by the commissioner.

(b) The advisory committees for the deaf and hard of hearing and for the blind and visually impaired shall meet periodically at least four times per year and. The committees must each review, approve, and submit an annual biennial report to the commissioner, the education policy and finance committees of the legislature, and the Commission of Deaf, DeafBlind, and Hard-of-Hearing Minnesotans. The reports must, at least:

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

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

ARTICLE 5

FACILITIES AND TECHNOLOGY

Section 1. Minnesota Statutes 2015 Supplement, section 123B.53, subdivision 1, is amended to read:

Subdivision 1. Definitions. (a) For purposes of this section, the eligible debt service revenue of a district is defined as follows:

(1) the amount needed to produce between five and six percent in excess of the amount needed to meet when due the principal and interest payments on the obligations
of the district for eligible projects according to subdivision 2, including the amounts
necessary for repayment of energy loans according to section 216C.37 or sections 298.292
to 298.298, debt service loans, capital loans, and lease purchase payments under section
126C.40, subdivision 2, excluding long-term facilities maintenance levies under section
123B.595, minus
(2) the amount of debt service excess levy reduction for that school year calculated
according to the procedure established by the commissioner.
(b) The obligations in this paragraph are excluded from eligible debt service revenue:
(1) obligations under section 123B.61;
(2) the part of debt service principal and interest paid from the taconite environmental
protection fund or Douglas J. Johnson economic protection trust, excluding the portion of
taconite payments from the Iron Range school consolidation and cooperatively operated
school account under section 298.28, subdivision 7a;
(3) obligations issued under Laws 1991, chapter 265, article 5, section 18, as
amended by Laws 1992, chapter 499, article 5, section 24;
(4) obligations under section 123B.62; and
(5) obligations equalized under section 123B.535.
(c) For purposes of this section, if a preexisting school district reorganized under
sections 123A.35 to 123A.43, 123A.46, and 123A.48 is solely responsible for retirement
of the preexisting district's bonded indebtedness, capital loans or debt service loans, debt
service equalization aid must be computed separately for each of the preexisting districts.
(d) For purposes of this section, the adjusted net tax capacity determined according
to sections 127A.48 and 273.1325 shall be adjusted to include the tax capacity of property
generally exempted from ad valorem taxes under section 272.02, subdivision 64.

EFFECTIVE DATE. This section is effective for revenue in fiscal year 2017 and
later.

Sec. 2. Minnesota Statutes 2014, section 123B.571, subdivision 2, is amended to read:

Subd. 2. Radon testing. A school district may include radon testing as a part of
its health and safety ten-year facility plan under section 123B.595, subdivision 4. If a
school district receives authority to use health and safety long-term facilities maintenance
revenue to conduct radon testing, the district shall conduct the testing according to the
radon testing plan developed by the commissioners of health and education.

EFFECTIVE DATE. This section is effective for revenue in fiscal year 2017 and
later.
Sec. 3. Minnesota Statutes 2015 Supplement, section 123B.595, subdivision 4, is amended to read:

Subd. 4. Facilities plans. (a) To qualify for revenue under this section, a school district or intermediate district, not including a charter school, must have a ten-year facility plan adopted by the school board and approved by the commissioner. The plan must include provisions for implementing a health and safety program that complies with health, safety, and environmental regulations and best practices, including indoor air quality management.

(b) The district must annually update the plan, biennially submit a facility maintenance plan to the commissioner for approval by July 31, and indicate whether the district will issue bonds to finance the plan or levy for the costs.

(c) For school districts issuing bonds to finance the plan, the plan must include a debt service schedule demonstrating that the debt service revenue required to pay the principal and interest on the bonds each year will not exceed the projected long-term facilities revenue for that year.

EFFECTIVE DATE. This section is effective for revenue in fiscal year 2017 and later.

Sec. 4. Minnesota Statutes 2015 Supplement, section 123B.595, subdivision 7, is amended to read:

Subd. 7. Long-term facilities maintenance equalization revenue. (a) For fiscal year 2017 only, a district's long-term facilities maintenance equalization revenue equals the lesser of (1) $193 times the adjusted pupil units or (2) the district's revenue under subdivision 1.

(b) For fiscal year 2018 only, a district's long-term facilities maintenance equalization revenue equals the lesser of (1) $292 times the adjusted pupil units or (2) the district's revenue under subdivision 1.

(c) For fiscal year 2019 and later, a district's long-term facilities maintenance equalization revenue equals the lesser of (1) $380 times the adjusted pupil units or (2) the district's revenue under subdivision 1.

(d) Notwithstanding paragraphs (a) to (c), a district's long-term facilities maintenance equalization revenue must not be less than the lesser of the district's long-term facilities maintenance revenue or the amount of aid the district received for fiscal year 2015 under Minnesota Statutes 2014, section 123B.59, subdivision 6.

EFFECTIVE DATE. This section is effective for revenue in fiscal year 2017 and later.
Sec. 5. Minnesota Statutes 2015 Supplement, section 123B.595, subdivision 8, is amended to read:

Subd. 8. Long-term facilities maintenance equalized levy. (a) For fiscal year 2017 and later, a district's long-term facilities maintenance equalized levy equals the district's long-term facilities maintenance equalization revenue minus the greater of:

(1) the lesser of the district's long-term facilities maintenance equalization revenue or the amount of aid the district received for fiscal year 2015 under Minnesota Statutes 2014, section 123B.59, subdivision 6; or

(2) the district's long-term facilities maintenance equalization revenue times the greater of (i) zero or (ii) one minus the ratio of its adjusted net tax capacity per adjusted pupil unit in the year preceding the year the levy is certified to 123 percent of the state average adjusted net tax capacity per adjusted pupil unit for all school districts in the year preceding the year the levy is certified.

(b) For purposes of this subdivision, "adjusted net tax capacity" means the value described in section 126C.01, subdivision 2, paragraph (b).

EFFECTIVE DATE. This section is effective for revenue in fiscal year 2017 and later.

Sec. 6. Minnesota Statutes 2015 Supplement, section 123B.595, is amended by adding a subdivision to read:

Subd. 8a. Long-term facilities maintenance unequalized levy. For fiscal year 2017 and later, a district's long-term facilities maintenance unequalized levy equals the difference between the district's revenue under subdivision 1 and the district's equalization revenue under subdivision 7.

EFFECTIVE DATE. This section is effective for revenue in fiscal year 2017 and later.

Sec. 7. Minnesota Statutes 2015 Supplement, section 123B.595, subdivision 9, is amended to read:

Subd. 9. Long-term facilities maintenance equalized aid. For fiscal year 2017 and later, a district's long-term facilities maintenance equalized aid equals its long-term facilities maintenance equalization revenue minus its long-term facilities maintenance equalized levy times the ratio of the actual equalized amount levied to the permitted equalized levy.
EFFECTIVE DATE. This section is effective for revenue in fiscal year 2017 and

later.

Sec. 8. Minnesota Statutes 2015 Supplement, section 123B.595, subdivision 10, is amended to read:

Subd. 10. **Allowed uses for long-term facilities maintenance revenue.** (a) A district may use revenue under this section for any of the following:

(1) deferred capital expenditures and maintenance projects necessary to prevent further erosion of facilities;

(2) increasing accessibility of school facilities; or

(3) health and safety capital projects under section 123B.57; or

(4) by board resolution, to transfer money from the general fund reserve for long-term facilities maintenance to the debt redemption fund to pay the amounts needed to meet, when due, principal and interest on general obligation bonds issued under subdivision 5.

(b) A charter school may use revenue under this section for any purpose related to the school.

EFFECTIVE DATE. This section is effective for revenue in fiscal year 2017 and

later.

Sec. 9. Minnesota Statutes 2015 Supplement, section 123B.595, subdivision 11, is amended to read:

Subd. 11. **Restrictions on long-term facilities maintenance revenue.** Notwithstanding subdivision 10, long-term facilities maintenance revenue may not be used:

(1) for the construction of new facilities, remodeling of existing facilities, or the purchase of portable classrooms;

(2) to finance a lease purchase agreement, installment purchase agreement, or other deferred payments agreement;

(3) for energy-efficiency projects under section 123B.65, for a building or property or part of a building or property used for postsecondary instruction or administration, or for a purpose unrelated to elementary and secondary education; or

(4) for violence prevention and facility security, ergonomics, or emergency communication devices.

EFFECTIVE DATE. This section is effective for revenue in fiscal year 2017 and

later.
Sec. 10. Minnesota Statutes 2014, section 123B.60, subdivision 1, is amended to read:

Subdivision 1. Bonds. When a building owned by a district is substantially damaged by an act of God or other means beyond the control of the district, the district may issue general obligation bonds without an election to provide money immediately to carry out its adopted health and safety long-term facilities maintenance program. Each year the district must pledge an attributable share of its health and safety long-term facilities maintenance revenue to the repayment of principal and interest on the bonds. The pledged revenue must be transferred to recognized in the debt redemption fund of the district. The district must submit to the department the repayment schedule for any bonds issued under this section. The district must deposit in the debt redemption fund all proceeds received for specific costs for which the bonds were issued, including but not limited to:

1. insurance proceeds;
2. restitution proceeds; and
3. proceeds of litigation or settlement of a lawsuit.

Before bonds are issued, the district must submit a combined or amended application to the commissioner for health and safety long-term facilities maintenance revenue, according to section 123B.57, and requesting review and comment, according to section 123B.71, subdivisions 8, 9, 11, and 12 123B.595. The commissioner shall complete all procedures concerning the combined application within 20 days of receiving the application. The publication provisions of section 123B.71, subdivision 12, do not apply to bonds issued under this section.

EFFECTIVE DATE. This section is effective for revenue in fiscal year 2017 and later.

Sec. 11. Minnesota Statutes 2014, section 123B.71, subdivision 8, is amended to read:

Subd. 8. Review and comment. A school district, a special education cooperative, or a cooperative unit of government, as defined in section 123A.24, subdivision 2, must not initiate an installment contract for purchase or a lease agreement, hold a referendum for bonds, nor solicit bids for new construction, expansion, or remodeling of an educational facility that requires an expenditure in excess of $500,000 per school site if it has a capital loan outstanding, or $2,000,000 per school site if it does not have a capital loan outstanding, prior to review and comment by the commissioner. A facility addition, maintenance project, or remodeling project funded only with general education revenue, deferred maintenance revenue, alternative facilities bonding and levy program revenue, lease levy proceeds, capital facilities bond proceeds, or health and safety long-term facilities maintenance revenue is exempt from this provision. A capital project under
section 123B.63 addressing only technology is exempt from this provision if the district
submits a school board resolution stating that funds approved by the voters will be used
only as authorized in section 126C.10, subdivision 14. A school board shall not separate
portions of a single project into components to avoid the requirements of this subdivision.

EFFECTIVE DATE. This section is effective the day following final enactment
and applies to review and comments for projects funded with revenue for fiscal year
2017 and later.

Sec. 12. Minnesota Statutes 2014, section 123B.79, subdivision 5, is amended to read:

Subd. 5. Deficits; exception. For the purposes of this section, a permanent transfer
includes creating a deficit in a nonoperating fund for a period past the end of the current
fiscal year which is covered by moneys in an operating fund. However, a deficit in the
capital expenditure fund reserve for operating capital account pursuant to section 123B.78,
subdivision 5, does not constitute a permanent transfer.

EFFECTIVE DATE. This section is effective for revenue in fiscal year 2017 and
later.

Sec. 13. Minnesota Statutes 2014, section 123B.79, subdivision 8, is amended to read:

Subd. 8. Account transfer for reorganizing districts. A district that has
reorganized according to sections 123A.35 to 123A.43, 123A.46, or 123A.48, or has
conducted a successful referendum on the question of combination under section
123A.37, subdivision 2, or consolidation under section 123A.48, subdivision 15, or has
been assigned an identification number by the commissioner under section 123A.48,
subdivision 16, may make permanent transfers between any of the funds or accounts in
the newly created or enlarged district with the exception of the debt redemption fund,
building construction fund, food service fund, and health and safety long-term facilities
maintenance account of the capital expenditure general fund. Fund transfers under this
section may be made for up to one year prior to the effective date of combination or
consolidation by the consolidating boards and during the year following the effective date
of reorganization by the consolidated board. The newly formed board of the combined
district may adopt a resolution on or before August 30 of the year of the reorganization
authorizing a transfer among accounts or funds of the previous independent school
districts which transfer or transfers shall be reported in the affected districts' audited
financial statements for the year immediately preceding the consolidation.
EFFECTIVE DATE. This section is effective July 1, 2016, for fiscal year 2017

and later.

Sec. 14. Minnesota Statutes 2014, section 123B.79, subdivision 9, is amended to read:

Subd. 9. Elimination of reserve accounts. A school board shall eliminate all reserve accounts established in the school district's general fund under Minnesota Statutes before July 1, 2006, for which no specific authority remains in statute as of June 30, 2007. Any balance in the district's reserved account for deferred maintenance as of June 30, 2007, shall be transferred to the reserved account for operating capital long-term facilities maintenance in the school district's general fund. Any balance in other reserved accounts established in the school district's general fund under Minnesota Statutes before July 1, 2006, for which no specific authority remains in statute as of June 30, 2007, shall be transferred to the school district's unreserved general fund balance.

A school board may, upon adoption of a resolution by the school board, establish a designated account for any program for which a reserved account has been eliminated. Any balance in the district's reserved account for health and safety as of June 30, 2019, shall be transferred to the unassigned fund balance account in the district's general fund. Any balance in the district's reserved account for alternative facilities as of June 30, 2016, shall be transferred to the reserved account for long-term facilities maintenance in the district's building construction fund.

EFFECTIVE DATE. This section is effective July 1, 2016, for fiscal year 2017

and later.

Sec. 15. Minnesota Statutes 2014, section 126C.40, subdivision 5, is amended to read:

Subd. 5. Energy conservation. For loans approved before March 1, 1998, the district may annually include as revenue under section 123B.53, without the approval of a majority of the voters in the district, an amount sufficient to repay the annual principal and interest of the loan made pursuant to sections 216C.37 and 298.292 to 298.298. For energy loans approved after March 1, 1998, under sections 216C.37 and 298.292 to 298.298, school districts must annually transfer from the general fund to the debt redemption fund the amount sufficient to pay interest and principal on the loans.

EFFECTIVE DATE. This section is effective for revenue in fiscal year 2017 and later.
Sec. 16. Minnesota Statutes 2015 Supplement, section 126C.48, subdivision 8, is amended to read:

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

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

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

(4) Before computing the reduction pursuant to this subdivision of the health and safety long-term facilities maintenance levy authorized by sections 123B.57 and 126C.40, subdivision 5 section 123B.595, the commissioner shall ascertain from each affected school district the amount it proposes to levy under each section or subdivision. The reduction shall be computed on the basis of the amount so ascertained.

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

**EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
later.

Sec. 17. Minnesota Statutes 2014, section 126C.63, subdivision 7, is amended to read:

Subd. 7. **Required debt service levy.** "Required debt service levy" means the total
dollar amount needed to be included in the taxes levied by the district in any year for
payment of interest and principal falling due on its debts prior to collection of the next
ensuing year's debt service levy excluding the debt service levy for obligations under
sections 123B.595, 123B.61, and 123B.62.

**EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2017 and
later.

Sec. 18. **REPEALER.**

Minnesota Statutes 2014, sections 123B.60, subdivision 2; and 123B.79,
subdivisions 2 and 6, are repealed for fiscal year 2017 and later.

**ARTICLE 6**

SELF-SUFFICIENCY AND LIFELONG LEARNING

Section 1. Minnesota Statutes 2014, section 124D.52, subdivision 1, is amended to read:

Subdivision 1. **Program requirements.** (a) An adult basic education program is
a day or evening program offered by a district that is for people over 16 years of age
who do not attend an elementary or secondary school and are not subject to compulsory
attendance. The program offers academic and English language instruction necessary to
earn a high school diploma or equivalency certificate.

(b) Notwithstanding any law to the contrary, a school board or the governing body of
a consortium offering an adult basic education program may adopt a sliding fee schedule
based on a family's income, but must waive the fee for participants who are under the age
of 21 or unable to pay. The fees charged must be designed to enable individuals of all
socioeconomic levels to participate in the program. A program may charge a security deposit to assure return of materials, supplies, and equipment.

(c) Each approved adult basic education program must develop a memorandum of understanding with the local workforce development centers located in the approved program's service delivery area. The memorandum of understanding must describe how the adult basic education program and the workforce development centers will cooperate and coordinate services to provide unduplicated, efficient, and effective services to clients.

(d) Adult basic education aid must be spent for adult basic education purposes as specified in sections 124D.518 to 124D.531.

(e) A state-approved adult basic education program must count and submit student contact hours for a program that offers high school credit toward an adult high school diploma according to student eligibility requirements and measures of student progress toward work-based competency and, where appropriate, English language proficiency requirements established by the commissioner and posted on the department Web site in a readily accessible location and format.

Sec. 2. Minnesota Statutes 2014, section 124D.52, subdivision 2, is amended to read:

Subd. 2. Program approval. (a) To receive aid under this section, a district, a consortium of districts, the Department of Corrections, or a private nonprofit organization, or a consortium including districts, nonprofit organizations, or both must submit an application by June 1 describing the program, on a form provided by the department. The program must be approved by the commissioner according to the following criteria:

(1) how the needs of different levels of learning and English language proficiency will be met;

(2) for continuing programs, an evaluation of results;

(3) anticipated number and education level of participants;

(4) coordination with other resources and services;

(5) participation in a consortium, if any, and money available from other participants;

(6) management and program design;

(7) volunteer training and use of volunteers;

(8) staff development services;

(9) program sites and schedules;

(10) program expenditures that qualify for aid;

(11) program ability to provide data related to learner outcomes as required by law; and
(12) a copy of the memorandum of understanding described in subdivision 1 submitted to the commissioner.

(b) Adult basic education programs may be approved under this subdivision for up to five years. Five-year program approval must be granted to an applicant who has demonstrated the capacity to:

(1) offer comprehensive learning opportunities and support service choices appropriate for and accessible to adults at all basic skill and English language levels of need;

(2) provide a participatory and experiential learning approach based on the strengths, interests, and needs of each adult, that enables adults with basic skill needs to:

(i) identify, plan for, and evaluate their own progress toward achieving their defined educational and occupational goals;

(ii) master the basic academic reading, writing, and computational skills, as well as the problem-solving, decision making, interpersonal effectiveness, and other life and learning skills they need to function effectively in a changing society;

(iii) locate and be able to use the health, governmental, and social services and resources they need to improve their own and their families' lives; and

(iv) continue their education, if they desire, to at least the level of secondary school completion, with the ability to secure and benefit from continuing education that will enable them to become more employable, productive, and responsible citizens;

(3) plan, coordinate, and develop cooperative agreements with community resources to address the needs that the adults have for support services, such as transportation, English language learning, flexible course scheduling, convenient class locations, and child care;

(4) collaborate with business, industry, labor unions, and employment-training agencies, as well as with family and occupational education providers, to arrange for resources and services through which adults can attain economic self-sufficiency;

(5) provide sensitive and well trained adult education personnel who participate in local, regional, and statewide adult basic education staff development events to master effective adult learning and teaching techniques;

(6) participate in regional adult basic education peer program reviews and evaluations;

(7) submit accurate and timely performance and fiscal reports;

(8) submit accurate and timely reports related to program outcomes and learner follow-up information; and

(9) spend adult basic education aid on adult basic education purposes only, which are specified in sections 124D.518 to 124D.531.

(c) The commissioner shall require each district to provide notification by February 1, 2001, of its intent to apply for funds under this section as a single district or as part of...
an identified consortium of districts. A district receiving funds under this section must
notify the commissioner by February 1 of its intent to change its application status for
applications due the following June 1.”

Amend the title accordingly